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House of Representatives

The House met at 9 a.m.

The Chaplain, the Reverend Daniel P. Coughlin, offered the following prayer:

Almighty God, at times as true believers we seem aliens in a hostile land. Confirm us in our calling to be Your people.

As sojourners on our way to Your eternal dominions, we can be so preoccupied ourselves that we are not as attentive as You would have us be to the human dramas that surround us each day.

At other times we are so distracted by flash bulbs and public opinion and so captivated by passing things that we lose our way on the path of integrity and truth. Purify us by Your Holy Spirit.

Keep away from us all worldly desires that wage war against the soul of this Nation. During this our earthly pilgrimage deepen our commitment to truly know one another and assist each other along the way.

Raise us up beyond self-doubt and suspicion with informed and good conscience that we may be freed to move on accomplishing Your holy will in ordinary deeds. You live and love in us now and forever. Amen.

THE JOURNAL

The SPEAKER. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Pursuant to clause 1, rule I, the Journal stands approved.

PLEDGE OF ALLEGIANCE

The SPEAKER. Will the gentlewoman from California (Ms. WOOLSEY) come forward and lead the House in the Pledge of Allegiance.

Ms. WOOLSEY led the Pledge of Allegiance as follows:

I pledge allegiance to the Flag of the United States of America, and to the Republic for which it stands, one nation under God, indivisible, with liberty and justice for all.

ANNOUNCEMENT BY THE SPEAKER

The SPEAKER. The Chair will entertain 1-minutes at the end of the legislative day today.

GENERAL LEAVE

Mr. ROGERS. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks on H.R. 4690, and that I may include tabular and extraneous material.

The SPEAKER. Is there objection to the request of the gentleman from Kentucky?

There was no objection.

DEPARTMENTS OF COMMERCE, JUSTICE, AND STATE, THE JUDICIARY, AND RELATED AGENCIES APPROPRIATIONS ACT, 2001

The SPEAKER. Pursuant to House Resolution 529 and rule XVIII, the Chair declares the House in the Committee of the Whole House on the State of the Union for the further consideration of the bill, H.R. 4690.

□ 0904

IN THE COMMITTEE OF THE WHOLE

Accordingly, the House resolved itself into the Committee of the Whole House on the State of the Union for the further consideration of the bill (H.R. 4690) making appropriations for the Departments of Commerce, Justice, and State, the Judiciary, and related agencies for the fiscal year ending September 30, 2001, and for other purposes, with Mr. HASTINGS of Washington in the chair.

The Clerk read the title of the bill.

The CHAIRMAN. When the Committee of the Whole rose on Thursday, June 22, 2000, the amendment by the gentlewoman from Colorado (Ms. DEGETTE) had been disposed of and the bill was open for amendment from page 35, line 8, through page 35, line 14.

Pursuant to the order of the House of that day, no further amendment to the bill shall be in order except pro forma amendments offered by the chairman and ranking member of the Committee on Appropriations or their designees for the purpose of debate and amendments printed in the CONGRESSIONAL RECORD on or before June 22, 2000, which may be offered only by the Member who caused it to be printed or his designee, shall be considered read, shall not be subject to amendment (except pro forma amendments for the purpose of debate), and shall not be subject to a demand for a division of the question.

Before consideration of any other amendment, it shall be in order to consider the amendment offered by the gentleman from California (Mr. WAXMAN) to section 110, which shall be debatable only for 40 minutes, equally divided and controlled by the proponent and an opponent.

AMENDMENT OFFERED BY MR. WAXMAN

Mr. WAXMAN. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment offered by Mr. WAXMAN:

Page 37, line 11, after the period, insert the following:

The preceding sentence shall not apply to litigation filed before January 1, 2000, that has received funding under section 109 of Public Law 103-317 (28 U.S.C. 509 note).

The CHAIRMAN. Pursuant to the order of the House of Thursday, June 22, 2000, the gentleman from California (Mr. WAXMAN) and a Member opposed each will control 20 minutes.

The Chair recognizes the gentleman from California (Mr. WAXMAN).

Mr. WAXMAN. Mr. Chairman, I yield myself 4 minutes.

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I am offering this amendment with the gentleman from Illinois (Mr. EVANS), the ranking member of the Committee on Veterans' Affairs; the gentleman from Utah (Mr. HANSEN); the gentleman from Massachusetts (Mr. MEEHAN); and the gentlewoman from Michigan (Ms. STABENOW). This is the third time this week we have offered an amendment to an appropriations bill to allow the Department of Veterans Affairs and the Justice Department to continue their tobacco lawsuit. The first time we offered our amendment to the VA–HUD bill, we lost on a close vote of 197–207. The second time we offered the amendment, we reached an agreement with the gentleman from New York (Mr. WALSH), the subcommittee chairman, and prevailed on a voice vote. I thought that this issue had been resolved. I thought the House had determined that the veterans and America's taxpayers deserved their day in court. The Federal lawsuit would be decided by a judge and a jury in a court based on the merits of the case, not by Congress through legislative riders.

Unfortunately, I was wrong. The bill before us today, the Commerce-State-Justice appropriations bill, would undo the agreement we reached on Tuesday. Once again, it contains a rider that would defund the Federal tobacco lawsuit.

During the debate over the past few days, we have learned several things. First, we have learned that stopping the Federal lawsuit is unfair to veterans. In 1998, Congress made a promise to veterans when we took the funds that were directed at veterans for cigarette-related disabilities and used it for highways. Congress said, We'll go to the courts and get money from the tobacco companies. If we adopt the language in this bill without our amendment, we will be going back on this promise. This is simply wrong.

That is why our amendment is strongly supported by the Veterans of Foreign Wars, the Paralyzed Veterans of America, the Disabled American Veterans, and AMVETS. We have also learned that defunding the Federal lawsuit is unfair to America's seniors. Each year Medicare spends $20 billion treating tobacco-related illnesses. The Federal lawsuit could potentially recover these costs, extending the solvency of the Medicare trust fund for years. That is why our amendment is strongly supported by the National Committee to Preserve Social Security and Medicare and other seniors' organizations.

In effect, we have a simple choice. We can stand with an industry that has lied to the American people for decades, or we can stand with our Nation's veterans and our senior citizens. I ask my colleagues to think about what we are going to do. We are about to take the unprecedented action of stopping the judicial process in the middle of a pending case. And we are about to take this action for an industry that is the least deserving industry in America, for an industry that has targeted our children, for an industry that manipulated nicotine to keep smokers addicted, for an industry that has deceived and lied to the public for decades.

Our amendment is drawn very narrowly. It does not allow the Justice Department to seek funding from other agencies to sue the gun industry, the gambling industry, or any other industry. All our amendment says is that this new policy should not be applied retroactively to halt pending litigation that commenced in reliance on the current law. In effect, the amendment is nothing more than a savings clause that would allow the tobacco suit to continue. Our amendment raises exactly the same issue we debated on Monday and decided on Tuesday. Today, as we did on Tuesday, we should stand with our veterans and our seniors, not the tobacco companies.

I urge my colleagues to support the amendment.

Mr. Chairman, I reserve the balance of my time.

The CHAIRMAN. Is the gentleman from Kentucky opposed to the amendment?

Mr. ROGERS. I am, Mr. Chairman.

The CHAIRMAN. The gentleman from Kentucky is recognized for 20 minutes.

Mr. ROGERS. Mr. Chairman, I yield myself 7 minutes.

Mr. Chairman, what this argument is about today is unlike what has been argued before in this body on this matter. This debate is about what was the intent of the Congress in 1995 when we passed the act in this bill that allowed the Department of Justice to be reimbursed from other agencies for extraordinary expensive cases.

What was on the table at that time was a lawsuit by a company against the Navy when the Navy canceled the A–12 aircraft contract. It was a multi-billion-dollar lawsuit. Justice came to us and said, Would you please put in your bill a provision that allows the Navy to reimburse Justice for representing it in this massive lawsuit against the government.

We said, Okay, we'll do that. Never in anyone's wildest imagination on the floor of this body was it anticipated that that statute would be used by the Government to initiate lawsuits, to sue people willy-nilly. Why? Because the Justice Department has a Civil Rights Division of some 1,039 lawyers with hundreds of millions of dollars to spend in filing lawsuits. Why would they need this kind of money to file a lawsuit?

No, the Congress intended when we passed that statute to enable the Justice Department to be able to represent the Government when it was sued, not when it was the suer. Now the Government has filed three of these lawsuits using this statute contrary to the intent of the Congress, thumbing its nose at the Congress and saying, We will decide how we're going to spend the money you gave us from the taxpayers. We don't care what you thought when you passed the statute. That is the attitude of the Justice Department.

Since the section was enacted, so-called 109, they have received roughly $324 million in reimbursements, almost all of which has been for just two massive lawsuits, the A–12 airplane case I mentioned, and the Winstar Savings and Loan cases where Justice was defending the Government against $33 billion in claims. Clearly, section 109 is an important tool to protect the Government and the taxpayer and should stay on the books. Without it, Justice would not have been able to mount credible defenses in critical cases and the Government could have suffered billions of dollars in losses.

What we do in the bill is clarify Congressional intent. We say, Look, what we meant when we gave you that authority in 1995 was to defend the Government against these massive claims, not to initiate lawsuits. And the bill does ensure that the money would be used for defensive litigation which was the justification provided by the Justice Department when it sought from us this special authority and the understanding of Congress when we provided that authority. It is the reasonable approach, and it is the right thing to do. It ensures that funding provided for other programs in this and other appropriations bills are not diverted in the future for proactive lawsuits as have been done to the tune of over $8 million so far.

Nothing in this bill restricts or prevents Justice from continuing any lawsuit, ongoing or prospective. Let them do what they will. We give them hundreds of millions of dollars with 1,034 lawyers in the Civil Rights Division to pursue civil actions. Nothing in the bill would restrict or prevent that.

□ 0915

This bill contains in fact $147 million to pay for those huge numbers of lawyers within the Civil Division to carry out affirmative cases, as the government sees fit.

The Waxman amendment would modify this bill, to allow the government to continue raiding the budgets of other agencies for four proactive cases that were filed about Justice just before this year and which are being paid through the inappropriate use of section 109 authority.

It would prohibit the use of section 109 for proactive cases filed after the beginning of the year.

In so doing, the Waxman amendment by itself acknowledges that, in fact, section 109 is for defensive purposes only. But the gentleman says we acknowledge that, but give us a break this time for all cases filed before the beginning of the year, the statute is either for defensive purposes or it is not. If it is for defensive purposes, it acknowledges the intent of the Congress in 1995 that it was for defensive purposes.

If it was for defensive purposes then, the government was wrong to use these funds to file any lawsuits since 1995, so I reject out of hand the argument that this statute ought to be modified so that we could protect and cover the rear ends of those at Justice that made the decision that was contrary to the intent of Congress, wrong and should not be rewarded, as this amendment would do by giving them an excuse, giving them an out and saying yes, it is for defensive purposes, but we are going to forgive you this time. Sorry, sorry about that. The law is the law. This was for defensive purposes, the Justice Department has violated it, and the gentleman wants to reward them on this floor, and I suggest that we shall not do that.

Mr. Chairman, I reserve the balance of my time.

Mr. WAXMAN. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, support for continuing the tobacco lawsuit should not be a partisan issue, and this amendment has bipartisan support.

Mr. Chairman, I yield 3 minutes to one of the great bipartisan leaders in this House, the gentleman from Utah (Mr. HANSEN).

Mr. HANSEN. Mr. Chairman, I appreciate my colleague yielding the time to me. Mr. Chairman, I rise today in support of this amendment, because I honestly believe in my heart of hearts that the lawsuit against tobacco must be continued. Most of us have been to Gettysburg and have walked those hallowed fields of that place, and I often marvel that so many are willing to give their lives for a cause that they believe in. What makes Gettysburg even more important it was truly the turning point of the Civil War and began the tough road to reunification of the United States.

Mr. Chairman, we find ourselves in a turning point of another war, and that is the war against youth smoking. For decades, the tobacco companies have lied to us here in Congress, lied to the people of this great land and continually targeted the American children. There surely must be accountability for these actions.

Many of my colleagues on this side of the aisle are naturally wary of government lawsuits and in the vast majority of the cases, I agree with them; however, I also know that my colleagues on this side of the aisle were properly incensed when the definition of the words like ''is'' were twisted to avoid responsibility.

Mr. Chairman, I would say to my colleagues on this side of the aisle that the tobacco companies have consistently done the same word manipulation for decades and have consistently avoided responsibility.

I believe that the time has come to demand responsibility, and this is why I am supporting this amendment. I also know that many of my colleagues are concerned over the potential for future abuse of this authority, including the possibility that this or another administration may follow the advice of gun control extremists and pursue a lawsuit against the firearms industry. To those who share my concern on that issue, I implore them to read this amendment, it very clearly prohibits any future use of section 109 authority for such purposes.

The amendment allows only one exemption, the tobacco lawsuit. This amendment assures that the executive branch cannot file any lawsuits that were not already active and receiving section 109 funds before the start of this year. There is only one lawsuit that fits that description, the tobacco lawsuit and all other lawsuits are prohibited.

I urge my colleagues on both sides of the aisle to support this meritorious amendment. It is important to the health of our children and the future health of our grandchildren.

Mr. ROGERS. Mr. Chairman, I yield 2½ minutes to the gentleman from North Carolina (Mr. HAYES).

Mr. HAYES. Mr. Chairman, there is strong bipartisan opposition to this bill and I absolutely recognize my friends' right to take their position, but let me focus on the facts for a moment. Mr. Chairman, I rise today to urge my colleagues to oppose this amendment.

This amendment jeopardizes the appropriations authority granted to Congress by the Constitution, and it will set a precedent that the administration, the President will determine spending instead of the Congress. I ask my colleagues to consider the precedent that this amendment will set with respect to our authority in Congress to determine the spending levels for our country.

Attorney General Reno herself testified before the Senate that the Federal Government did not have the authority to bring the very lawsuit that my colleagues are advocating today. The law says the suit cannot be won, the money will be wasted, money that should be spent on veterans health care.

In 1997, again, I say Ms. Reno testified that there was no legal basis to recover. The States have the authority and have a recovery of $246 billion that will be jeopardized by this amendment.

The White House has failed to enact its desired 55 cent per pack Federal cigarette tax increase. The Attorney General shamelessly files the very same suit she explicitly admitted was groundless. This is ridiculous. Tobacco manufacturers never dupe the Federal Government.

Washington has known for decades that smoking is dangerous. Since 1964, every pack sold in the United States has carried a mandated label warning of the risk of smoking. Nobody wants people to be harmed by smoking, especially no one wants children smoking, nor can Washington claim that it somehow acquired individual smokers right to sue.

In 1997, the Department of Veterans Affairs rejected on the grounds that veterans assumed risk of smoking, a claim allegedly by former members of the Armed Forces in Washington freely distributed cigarettes 10 years after placing warning labels on the packages.

Mr. Chairman, in 1947 a law was granted saying the Supreme Court in the United States may sue third parties to recoup health care costs but this is about insurance companies saving veterans health care money.

To sum up, history and legal precedent do not support this amendment. The law and history say we will lose, save this money for health care, for veterans and any other group supported by this Congress. Strongly oppose the Waxman amendment on legal ground.

Mr. WAXMAN. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, the veterans organizations support our amendment, because they want that money to be brought back into veterans health care.

Mr. Chairman, I yield 3 minutes to the gentleman from Illinois (Mr. EVANS) one of the great champions on behalf of veterans in this institution, and the ranking Democrat on the Committee on Veterans Affairs.

Mr. EVANS. Mr. Chairman, I want to thank the gentleman for yielding me the time.

Mr. Chairman, this week the House passed an amendment to the VA–HUD appropriations bill that enables the Department of Justice to pursue its pending litigation against the tobacco industry. This lawsuit seeks to recover billions of dollars spent by the VA and other Federal agencies to treat tobacco-related illnesses.

A rider in this appropriations bill which would block the Justice Department from accepting these funds is a mirror image of the VA–HUD rider. The amendment I join with the gentleman from California (Mr. WAXMAN) and my other colleagues in supporting today simply allows the wheels of justice to move forward.

Mr. Chairman, there is something terribly wrong with the leadership of this body. During the last Congress, despite overwhelming evidence that tobacco-related illnesses are linked to nicotine addiction developed during the military service, the Republican leadership of the House effectively denied veterans the opportunity to seek legitimate compensation from the Department of Veterans Affairs.

Instead, this House passed a sense of Congress Resolution that the Attorney General and I quoted ''should take all steps necessary to recover from tobacco companies amounts corresponding to the costs which have been incurred by the VA for treatment of tobacco-related illness of veterans.''

Mr. Chairman, it seems our leadership would seek to walk away from this commitment strangling even the hope of a fair settlement from the big tobacco companies for the VA medical

care system. Passing this appropriation with the proposed rider will prevent Justice from using funds in pursuit of this lawsuit would be nothing less than shameful.

If this House is not totally beholden to the tobacco industry, it would adopt this amendment. It will enable legal proceedings to go forward, and it will allow the outcome of lawsuits to be properly determined in court, not here on the floor of the House.

Earlier this week, an open letter was distributed to Members of Congress by four major veterans service organizations, AMVETS, Disabled American Veterans, Paralyzed Veterans of America, and the Veterans of Foreign Wars of the United States.

Veterans have made it clear that they support tobacco litigation that could allow a fair settlement to support VA's treatment of thousands of veterans' tobacco-related illnesses. That is why the veterans organizations who coauthor the independent budget have strongly endorsed our amendment.

Let us keep our promise to America's veterans and let this lawsuit move forward on its own merit. In the name of justice, please support the Waxman-Evans amendment.

Mr. ROGERS. Mr. Chairman, I yield 2 minutes to my distinguished colleague, the gentleman from Kentucky (Mr. LEWIS).

(Mr. LEWIS of Kentucky asked and was given permission to revise and extend his remarks.)

Mr. LEWIS of Kentucky. Mr. Chairman, the Federal tobacco lawsuit is bad public policy and a waste of taxpayer dollars. The case is not about the law, but about the Federal Government extorting money from an industry that it does not like. Which industry will be the next victim of this punitive action?

The tobacco industry, in accordance with the terms of its 1998 settlement with the States, has changed its marketing, advertising, and business practices. The industry is also paying the States billions of dollars. Now the Justice Department wants a share of this revenue stream for the Federal Government and is willing to further sidestep to try to get it.

The Justice Department needs to stop stealing veterans health care funds to pay for its baseless lawsuit. This suit claims the Federal Government and the public were deceived about the health risks of tobacco products. The same Federal Government that claims it was deceived has required health warnings on tobacco products since the 1960s.

The Surgeon General's 1964 report details the risks of tobacco use. The American people are not as clueless as this lawsuit claims, people know the health risks associated with use of tobacco products. It is absurd to claim ignorance on this point.

Adult consumers have the right to make risk judgments and choose the legal products they use. They also need to take personal responsibility for those choices. No Federal law gives the government authority to collect Medicare funds as proposed in this lawsuit.

Mr. Chairman, 3 years ago, Attorney General Reno testified to the Senate that no Federal cause of action existed for Medicare and Medicaid claims; suddenly she has changed her tune under pressure from the White House. The Justice Department on the same day it announced the civil lawsuit ended its 5-year investigation of the tobacco industry without making any criminal charges.

Last year the Congressional Research Service concluded that with a full accounting of costs of lifetime government-funded health care and benefits for tobacco users and tobacco excise taxes, the Federal Government actually nets $35 billion per year.

There are not costs for a Federal Government to recover. It is already making money off of tobacco use and this administration only wants more.

The absurdity of this legislation by litigation aside, one issue should be clear to everyone today, veterans health benefits are not intended to pay trial lawyers in a politically motivated lawsuit. This is not a rider. This is not special treatment. This is Congress carrying out its role in appropriating how tax dollars are to be spent.

Mr. WAXMAN. Mr. Chairman, I yield 3 minutes to the gentleman from Iowa (Mr. GANSKE), a respected physician Member of the House, one of the great leaders on public health issues.

(Mr. GANSKE asked and was given permission to revise and extend his remarks.)

Mr. GANSKE. Mr. Chairman, I have a great deal of respect for the chairman of the full committee, the gentleman from Kentucky (Mr. ROGERS), as well as the chairman of the subcommittee; but we disagree. As a physician on this Floor, I have been asked many medical questions related to diseases caused by tobacco that is affecting members and their families.

Tobacco is an addicting substance that causes lethal disease. It certainly has not spared our colleagues or their families. Big tobacco is trying to stymie a Federal lawsuit that seeks to recover costs of treatment of the tobacco-related diseases that the Federal taxpayers have subsidized. This includes the care of Members of Congress and their families, as well as other Federal employees, veterans, and Medicare beneficiaries.

□ 0930

The States recover damages against big tobacco based on their share of Medicaid. The Federal Government should too. The VA spends $4 billion annually on treatment of tobacco-related illness. Medicare spends $20.5 billion per year on tobacco-relayed illnesses.

Big tobacco has known about the addictive lethal consequences of tobacco for a long time. Their CEOs committed perjury in testimony before Congress. Did those CEOs get punished for lying under oath? We did not even give them a slap on the wrist, and their deceitful lives have cost lives.

The Waxman-Hansen amendment is supported by veterans groups, senior organizations, and practically all the public health groups.

Mr. Speaker, this vote is about one thing: Are you for big tobacco, or are you for the American taxpayer who has paid the bill for big tobacco too long?

Big tobacco has spread a lot of money around Capitol Hill to try to get Congress to stop the Department of Justice lawsuit. Well, here is your chance to be with the AMVETS, with the VFW, with all of these health groups, and, most importantly, with the taxpayers of this country.

Vote for this amendment.

Mr. ROGERS. Mr. Chairman, I yield 2 minutes to the distinguished gentleman from North Carolina (Mr. BALLENGER).

Mr. BALLENGER. Mr. Chairman, as a veteran of World War II, I remember all those great wonderful cigarettes that Uncle Sam gave me when I was in the service. I would like to say Ms. Reno should have tons of money because of those many things that everybody requested that she investigate but she never has.

Let me just say I am not a lawyer, but my understanding is that to recover under secondary payer provisions, Washington must show that the sales of tobacco are in and of themselves wrongful, and since the Feds have consistently regulated, subsidized, promoted and fiscally profited from tobacco products, while fully aware of the plant's health risk, such a showing would seem difficult, unless Washington admits being complicit to the wrongdoing; and a basic common law rule, my understanding is, is that one accomplice cannot sue another.

So it seems to me that money spent on this effort is an absolute waste on a cause that is going to lose, and, besides that, I think Mrs. Reno has tons of money that we begged her to use in investigating some of the White House situations, and she never has. Why should she need more money?

Mr. WAXMAN. Mr. Chairman, I yield 2 minutes to the gentleman from New Jersey (Mr. ANDREWS), a Member who is noted for his interest in fiscal responsibility and has a unique perspective on the promise made to the veterans a couple of years ago in the transportation bill.

(Mr. ANDREWS asked and was given permission to revise and extend his remarks.)

Mr. ANDREWS. Mr. Chairman, I thank the gentleman for yielding me the time.

Mr. Chairman, I rise in strong support of the Waxman amendment for reasons of equity, for reasons of futility, and for reasons of constitutionality.

The equities are obvious here. If the men and women who served in the

Armed Forces of this country contracted a disease related to tobacco when they served in those Armed Forces, and the country is paying for the care of those diseases in the form of VA health benefits, we ought to recover those costs from those who caused the disease in the tobacco industry. It is a matter of simple equity, and that is why the veterans organizations and the health organizations support this.

We want to avoid futility. Earlier this week we passed an amendment on this floor that said that the Veterans Administration could free up administrative expenses, not health expenses, but administrative expenses, and send them over to the Justice Department to help pay for the cost of this suit. If we do not pass the Waxman amendment here, that effort would have been futile, because we will undo the result of that amendment. So we would be having the VA sending money over that the Justice Department could not use. That is not a mistake, but it would be a mistake to do that.

Finally, there is a matter of constitutionality. I think it is unprecedented and terribly unwise for Members of the legislative branch to interfere and intervene in ongoing litigation brought by the Department of Justice. It is the worst kind of second guessing. It is the worst kind of abandonment of separation of powers.

The Justice Department has made a decision, in my judgment a wise decision, at our direction, to initiate complex litigation to recover these costs. For us to intervene at this point, second guess at this point, is unwise and may in fact be unconstitutional.

Let us let this litigation go forward. Let us let the taxpayers and the veterans of this country have their day in court. Let us join together and pass the Waxman amendment.

Mr. ROGERS. Mr. Chairman, I yield 2 minutes to the distinguished gentleman from North Carolina (Mr. COBLE), the chairman of the Subcommittee on Courts and Intellectual Property of the Committee on the Judiciary.

Mr. COBLE. Mr. Chairman, I thank the distinguished chairman for yielding me time.

Mr. Chairman, it appears that the Attorney General and the Justice Department by way of this amendment is again attempting to insert the tobacco industry smack dab in the bull's eye of the target, and I guess that the command will be ''fire when ready.''

The tobacco industry has become the convenient and consistent whipping boy in this Congress as long as I have been here; and with each session, the opponents appear to grow more vocal and more determined to drive the final death knell into the coffin of tobacco.

Nine or 10 years ago, and I told the chairman this some time ago, I had the privilege of going through the Lorillard plant in my district; and what I learned as a result of that visit that day was the dollars in taxes that they pay, local, State and Federal. I was educated.

The Federal Government, Mr. Chairman, as you know, has consistently regulated, subsidized, promoted and fiscally profited from tobacco. If we keep fooling around with this, we are going to drive the tobacco industry into the coffin, and then the coffin finally into the ground, and those coffers that realize millions and millions of dollars directly from tobacco will either dry up, or, in the alternative, we will have to find other sources of revenue, and then you will start hearing people kicking and screaming and crying, what happened to the tobacco money? Well, the tobacco money was gone because of the consistent buggy whipping that has been on across their backs emanating from this very Chamber, and one of these days, Mr. Chairman, it is going to come back to haunt us.

I will admit, I do not come to the well completely objective, because I represent growers and manufacturers; but let us be careful as we go about this.

Mr. WAXMAN. Mr. Chairman, I yield 2 minutes to the gentlewoman from Connecticut (Ms. DELAURO).

Ms. DELAURO. Mr. Chairman, I rise in strong support of the Waxman amendment. America's veterans have put their lives on the line for their Nation, and big tobacco should be held accountable for what they did to our veterans. Allowing the Justice Department to continue its suit against the tobacco industry will return millions of dollars in needed funding to the veterans health care system. That is fitting, considering the number of our Nation's veterans that now suffer from tobacco-related illnesses, that to this day, I might add, the tobacco industry denies are as a result of cigarettes.

Who supports this amendment? The American Heart Association, the American Lung Association, the Campaign for Tobacco Free Kids. That is who supports it.

Let us take a look at who opposes it. Philip Morris and the big tobacco companies, the folks who stood before the committee with their hands raised and talked about their product as not being addictive. That is what they said. That is what they told the American public. The group that tells us that when today's smokers die, that the next group of folks they go to, ''their replacement smokers,'' are 12-year-old kids. Those are their words, ''replacement smokers,'' 12-year-old kids.

Mr. Chairman, it is time for big tobacco to pay the price for the damage that they have done. We should hold them accountable for their lies. Support veterans health care, protect our children from the tobacco industry's predatory practices. I urge Members to support the Waxman amendment today.

Mr. WAXMAN. Mr. Chairman, I want to note the contribution that the gentlewoman from Connecticut has made as a leader on this issue in the Committee on Appropriations and commend her for her statement.

Mr. Chairman, I yield 1 minute to the gentlewoman from California (Ms. WOOLSEY), who has been so involved in public health issues.

(Ms. WOOLSEY asked and was given permission to revise and extend her remarks.)

Ms. WOOLSEY. Mr. Chairman, once again it appears that some individuals on the other side of the aisle would put politics before people, particularly our children. If the tobacco companies have nothing to hide, then why do they care if we have a lawsuit?

Well, since the landmark State lawsuit settlement in 1998, tobacco companies have actually increased the amount of advertising aimed at our children. They lure our children with glossy ads. They become addicted to nicotine. It leaves millions of Americans sick and dying, while the tobacco companies continue to rake in the profits and the taxpayers of this Nation pick up the tab for the health care.

Mr. Chairman, the Justice Department must have the funding to investigate big tobacco. I encourage my colleagues, vote for the Waxman amendment. Our children's lives depend on it.

Mr. WAXMAN. Mr. Chairman, I am pleased to yield 1 minute to my good friend, the gentlewoman from California (Mrs. CAPPS), who has been very involved in health issues and who before coming to the Congress was in the nursing profession.

Mrs. CAPPS. Mr. Chairman, I thank my colleague for yielding me time.

Mr. Chairman, I rise in strong support of the Waxman-Hansen amendment. I am outraged that the bill before us today would, in effect, halt the Justice Department's action to hold tobacco companies accountable. This rider would undo an agreement made just 2 days ago here on the floor of this House. That agreement would allow the Veterans Department to support DOJ's litigation.

Mr. Chairman, this rider would have the effect of giving the tobacco companies immunity. It gives them a free pass by hamstringing Justice's ability to go after them in the courts. Remember, the tobacco industry produces an addictive product that, when used as directed and intended, contributes to the death of 300,000 to 400,000 people a year, injuring hundreds of thousands more.

This industry has systematically attempted to lure children to start smoking and lied about it for years. It has manipulated the levels of nicotine to increase the addictiveness of cigarettes and lied about it for years.

Tobacco companies deserve no special treatment. They deserve to be held accountable, and that is what passing the Waxman-Hansen amendment would allow, simple justice. I urge support for this amendment.

Mr. WAXMAN. Mr. Chairman, may I inquire of the Chair how much time is

remaining and who has the right to close.

The CHAIRMAN. The gentleman from Kentucky (Mr. ROGERS) has 6 minutes remaining, the gentleman from California (Mr. WAXMAN) has 3 minutes remaining, and the gentleman from Kentucky has the right to close.

Mr. WAXMAN. Mr. Chairman, I yield 1 minute to the gentleman from Arkansas (Mr. SNYDER), another physician in the House of Representatives.

□ 0945

Mr. SNYDER. Mr. Chairman, as a family doctor and a Marine veteran, I have to ask myself now, why are the tobacco companies and their allies in Congress fighting this amendment, fighting this lawsuit in this way. Number one, they know the health costs that their product has caused, and those of us that have been in medicine have seen the lung cancer and the heart disease and the sexual impotence and all of those other problems; and we have seen those health costs. The tobacco companies know they lied to this Congress and lied to the American people about the effects of their product and the addictive quality. Finally, the tobacco companies know they targeted our men in uniform, those of us who used to open the C-rations and get the packs of cigarettes in there; we know we were targeted as we look back in time.

That information would come out in this lawsuit, how they preyed on our young men, 17 and 18 and 19 and 20 years old, addicted them to this product, at a time when we were asking them to go into combat for their country in World War II and the Korean War and the Vietnam War. That is what this lawsuit is about, and they know what it is about. They do not want to have to defend in front of a jury, having targeted those young men.

Support the Waxman amendment.

Mr. WAXMAN. Mr. Chairman, I yield 1 minute to the gentlewoman from California (Ms. PELOSI), one of the leaders of the House of Representatives.

Ms. PELOSI. Mr. Chairman, I thank the gentleman for yielding me this time and for his outstanding leadership on this very important issue.

Mr. Chairman, I rise as a member of the Committee on Appropriations to point out a certain irony here. We were told on our committee that there should be no riders in our appropriations bill this year; and yet the majority is going to great lengths to include this very dangerous rider in this particular bill. The Attorney General has stated that if this rider is there, this bill that blocks funding for the lawsuits is enacted into law, we would have no ability to continue the litigation in the tobacco suits.

Mr. Chairman, our colleagues have eloquently spoken to the $90 billion cost, both public and private, to our economy and the many diseases that are caused by tobacco. I want to dwell for a half a minute on our children. Approximately 5 million American children smoke. Every day, 3,000 more children become regular smokers. One out of three of these children will eventually die from tobacco-related causes. The market for cigarettes is maintained by marketing products to young people who can replace those smokers who die or quit. As a result of these tactics, the tobacco industry creates a lifetime of health problems and health costs for these children, and they should be held accountable.

Mr. Chairman, this amendment will strengthen veterans' health care, and I urge our colleagues to support it.

Mr. Chairman, I rise today in support of the Waxman/Evans/Hansen/Meehan/Stabenow amendment. This amendment will allow the Department of Justice to pursue its lawsuit against the tobacco companies and seek to recover billions of dollars in health care expenditures that tobacco has cost federal taxpayers. The Attorney General has stated that if the rider in this bill that blocks funding for the lawsuit is enacted into law, "We would have no ability to continue our litigation."

This vote boils down to a simple choice: Will we vote to protect taxpayers and allow them to have their day in court? Or will we vote to protect Big Tobacco and once again allow the tobacco companies to escape legal responsibility for all the harm they have caused.

Tobacco use is the leading cause of premature death in the United States. Over 430,000 premature deaths each year are a result of smoking related illnesses including chronic lung disease, coronary heart disease, and stroke as well as cancer of the lungs, larynx, esophagus, mouth, and bladder. This accounts for one out of five deaths, and twice the number of deaths caused by AIDS, alcohol, motor vehicles, homicide, drugs, and suicide combined.

Smoking causes or contributes to a variety of debilitating physical and medical problems. Chronic coughing, emphysema, and bronchitis are products of smoking, and smokers are more susceptible to influenza. Smokers are more likely to suffer from periodontal disease. Smoking can also cause the early onset of menopause among women, incontinence, and reduced fertility, and increases the risk of impotence by 50 percent.

Approximately 5 million American children smoke. And each day, another 3,000 children become regular smokers. One out of every three of these children will eventually die from tobacco-related causes. The market for cigarettes is maintained by marketing tobacco products to young people who can replace older smokers who die or quit. As a result of these tactics, the tobacco industry creates a lifetime of health care problems and health care costs for these children, and they should be held accountable. In addition to recovery of costs, this lawsuit seeks injunctive relief to stop the tobacco companies from marketing to children and engaging in other deceptive and illegal practices.

Tobacco-related illnesses cost the federal taxpayer approximately $25 billion a year, excluding the federal share of Medicaid. The Medicare program pays $20.5 billion annually to treat tobacco-related illnesses; the Veterans Administration pays $4 billion; the Department of Defense pays $1.6 billion; and the Indian Health Service pays $300 million.

In addition, tobacco-related health care costs the Medicaid program nearly $17 billion a year, of which federal taxpayers pay nearly $10 billion. Overall, public and private payments for tobacco-related care total approximately $90 billion each year.

Any recovery of Medicare costs from this litigation help would be deposited in the Medicare trust fund. If the lawsuit is successful, these dollars could add years to the solvency of Medicare or fund a prescription drug benefit for seniors. Veterans medical care would be strengthened as will. Voting for this amendment is the right thing to do for seniors, veterans, kids, and taxpayers. I urge my colleagues to support the Waxman/Evans/Hansen/Meehan/Stabenow amendment.

Mr. WAXMAN. Mr. Chairman, I yield myself the balance of our time.

Mr. Chairman, the gentleman from Utah (Mr. HANSEN) has made the point very clearly that this is not about other lawsuits, it is about the tobacco lawsuit alone. The gentleman from Iowa (Mr. GANSKE) and the gentlewoman from California (Mrs. CAPPS) and others who, from a medical perspective, have told us how important it is to pursue recovery for health care services. The gentleman from Illinois (Mr. EVANS) has pointed out that for the veterans, we made a promise to them, we should not betray them. We should keep that promise to reach out and get funds for veterans health care. This lawsuit against tobacco should be permitted to proceed. We should not defund it through a rider on an appropriations bill.

Mr. Chairman, I urge Members to vote for this amendment. It is the right thing to do.

Mr. ROGERS. Mr. Chairman, I yield myself the balance of our time.

(Mr. ROGERS asked and was given permission to revise and extend his remarks.)

Mr. ROGERS. Mr. Chairman, contrary to what we have heard, this amendment and this debate is not about whether one likes or believes in smoking, or whether it is good or bad for us. That is not the issue here. The issue is not whether this lawsuit has merits or not. That is what we have heard here, arguing the merits or demerits of the lawsuit. It has nothing to do with that.

The question here is whether or not the Justice Department violated the law itself in filing the lawsuit.

Last year, for the first time that I have ever recalled, Justice asked the Congress for money to file a specific lawsuit. The Congress said no; the money was denied. Justice then secretly went to three agencies and said, give us the money to file this lawsuit. They said, wait a minute, where is your authority for that? They said, well, look at section 109 of the 1995 State Commerce-Justice bill where it says that agencies can reimburse the Justice Department for representing them in court, and they dragged the money out of those agencies and filed this lawsuit.

Well, that statute that they are talking about is the crux of what we are

talking about here today. That statute merely says that the Government can be represented in court when it is sued. That was the intent of the Congress; no to be the suer. No one told the Congress that they had done this. We had to find it out on our own, and we did.

So the Department of Justice, the place supposedly where the Nation's morals are protected, the place where moral authority resides in this government, if anywhere, itself is the one that is thwarting the will of the Congress; that is, twisting words for its own purposes, that is clearly violating the intent of the Congress in passing the act in the first place.

Why was it passed in the first place? The Government was sued, a huge multibillion dollar suit by the contractor for the Navy Department when we canceled the A–12 aircraft contract. In 1995, Justice says, please, Congress, help us. Allow the Defense Department to pay us back for representing them in defending this lawsuit, and we said, we think that is a legitimate purpose, and we wrote it into our bill. That is the statute they are trying to use. Mr. Chairman, we all know, my colleagues know that that statute is for defending the Government, not suing, willy-nilly. Why? Because we provided in this bill $147 million for them to bring lawsuits; 1,034 lawyers we hire there to file lawsuits. We are paying those lawyers to file lawsuits. This statute is for defending the Government, not suing. And yet, they would have us believe that this great moral authority at the Justice Department is right.

I say to my colleagues, the question here is not the merits of the lawsuit or any other lawsuit, the question here is the merits of the morality at the Justice Department. Does the end justify the means? They say yes; I say no. Is this a nation of laws or of men? I say laws, and the Congress better say laws. They are taking your prerogative here down there and they are using it as they choose. I say to my colleagues, reject the Justice Department's grab of other agencies' money, but more importantly, the Justice Department's seizure of power away from the Congress.

Never was it intended in this Congress in the passage of this statute that it was to be funding lawsuits filed by the Government. No one ever anticipated that or thought about it when we passed the act. The intent of the Congress is being clarified in our bill, and that is, this statute is for defensive purposes only. Reject the Waxman amendment that would legitimize and reward a Justice Department that has seized your prerogative and is acting like they are the law themselves and we do not matter.

Well, Mr. Chairman, the end does not justify the these means. I urge my colleagues to tell the Justice Department to obey the law.

Mr. DAVIS of Illinois. Mr. Chairman, I rise today to support the Waxman-Evans-Hansen-Meehan-Stabenow amendment. This amendment would restore the permission of the Justice Department to use section 109 to receive funding from client agencies interested in aiding them in the tobacco litigation. The federal tobacco litigation is the only active litigation affected by this savings clause.

This bill puts the Department of Justice at a disadvantage in its case against tobacco companies.

These companies present a devastating product to this country. They target the younger generations because of their vulnerability to the admittedly addictive agent, nicotine and overwhelming amount of peer pressure. An RJR research planning memorandum says and I quote, "Realistically, if our Company is to survive and prosper, over the long term we must get our share of the youth market. . . ." A memorandum to Curtis Judge, President of Lorillard Tobacco Co. said that "The success of NEWPORT has been fantastic during the past few years. . . . [T]he base of our business is the high school student. . . ."

Our nation's credit-worthy veterans become addicted while in the service to cigarettes. The companies themselves have admitted to the addicting qualities of nicotine. S.J. Green, BATCo Director of Research reported that "The strong addiction to cigarette[s] removes freedom of choice from many individuals."

Another injustice of this market is that it targets low-income areas, who traditionally have insufficient amounts of health care. In my district I have 165,000 people who live at or below the poverty level—many of them suffer from the effects of tobacco.

The American people spend $25 billion to treat tobacco-related illnesses while being given no choice whether to become addicted or not.

The Department of Veterans Affairs spends over $1 billion a year treating tobacco-related illness. Therefore, it is impossible that their budget of $4 million will be used in the litigation. Most of their money goes toward treatment of people with tobacco-induced illnesses. The bill as it stands blocks the Department of Veterans Affairs from helping the Department of Justice in this lawsuit that greatly involves them.

This is an injustice to the American people who expect the government to defend their right for healthy lives.

I support the amendment to this bill because in 1998 the promise was made on this House floor that we would "take all steps necessary to recover from tobacco companies the cost which would be incurred by the Department of Veterans Affairs for treatment of tobacco-related illnesses of veterans. It will delete the rider and give the veterans the chance to recover tens of billions of dollars for Veteran's Affairs' underfunded medical care.

This measure helps the Department of Justice's requests pay back to the Federal Government for expenses due to the misconduct of the tobacco industry by unrestricted funding for the endeavor.

It will further protect those targeted youths from being victimized for their vulnerability to addictive agents.

The House should not be vulnerable to persuasion of any measure that cuts the prosecuting of those entities that pose harm to the country.

We have the responsibility to protect the people from unnecessary health risks by keeping them aware of the health risks.

The CHAIRMAN. All time for debate on this amendment has expired.

The question is on the amendment offered by the gentleman from California (Mr. WAXMAN).

The question was taken; and the Chairman announced that the noes appeared to have it.

RECORDED VOTE

Mr. WAXMAN. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 215, noes 183, not voting 36, as follows:

[Roll No. 319]

AYES—215

Abercrombie
Ackerman
Allen
Andrews
Baird
Baldacci
Baldwin
Barcia
Barrett (WI)
Becerra
Bentsen
Bereuter
Berkley
Berry
Bilbray
Bilirakis
Blagojevich
Blumenauer
Boehlert
Bonior
Bono
Borski
Boswell
Brady (PA)
Brown (FL)
Brown (OH)
Calvert
Campbell
Capps
Capuano
Cardin
Carson
Castle
Clay
Conyers
Costello
Coyne
Crowley
Cummings
Cunningham
Davis (FL)
Davis (IL)
DeFazio
DeGette
Delahunt
DeLauro
Deutsch
Dicks
Dingell
Doggett
Dooley
Doyle
Dunn
Edwards
Ehlers
Engel
Eshoo
Evans
Farr
Fattah
Foley
Ford
Frank (MA)
Franks (NJ)
Frelinghuysen
Frost
Gallegly
Ganske
Gejdenson
Gephardt
Gilchrest
Gilman
Gonzalez
Green (TX)
Greenwood
Gutierrez
Hall (OH)
Hansen
Hastings (FL)
Hinchey
Hinojosa
Hobson
Hoeffel
Holden
Holt
Hooley
Horn
Hoyer
Inslee
Jackson (IL)
Jackson-Lee (TX)
Jefferson
Johnson (CT)
Kanjorski
Kaptur
Kelly
Kennedy
Kildee
Kilpatrick
Kind (WI)
King (NY)
Kleczka
Kucinich
LaFalce
LaHood
Lampson
Lantos
Larson
Lee
Levin
Lewis (GA)
Lipinski
LoBiondo
Lofgren
Lowey
Luther
Maloney (CT)
Maloney (NY)
Manzullo
Markey
Mascara
Matsui
McCarthy (MO)
McCarthy (NY)
McDermott
McGovern
McHugh
McKeon
McKinney
McNulty
Meehan
Meek (FL)
Meeks (NY)
Menendez
Metcalf
Millender-McDonald
Miller, George
Minge
Mink
Moakley
Moore
Moran (VA)
Morella
Nadler
Napolitano
Neal
Nethercutt
Oberstar
Obey
Olver
Ose
Owens
Pallone
Pascrell
Pastor
Payne
Pelosi
Peterson (PA)
Porter
Portman
Pryce (OH)
Quinn
Rahall
Ramstad
Regula
Rivers
Rodriguez
Roemer
Roukema
Royce
Rush
Sabo
Sanchez
Sanders
Sawyer
Saxton
Scarborough
Schaffer
Schakowsky
Serrano
Shays
Sherman
Sherwood
Skelton
Slaughter
Smith (NJ)
Snyder
Stabenow
Stark
Strickland
Stupak
Tauscher
Taylor (MS)
Thompson (CA)
Thune
Thurman
Traficant
Turner
Udall (CO)
Udall (NM)
Upton
Velazquez
Visclosky
Walsh
Waters
Waxman
Weiner
Wexler
Weygand
Wilson
Wise
Wolf
Woolsey
Wu
Young (FL)

NOES—183

Aderholt	Gibbons	Pease
Archer	Gillmor	Peterson (MN)
Armey	Goode	Petri
Baca	Goodlatte	Phelps
Baker	Goodling	Pickering
Ballenger	Gordon	Pickett
Barr	Goss	Pitts
Barrett (NE)	Graham	Pombo
Bartlett	Granger	Price (NC)
Barton	Green (WI)	Reynolds
Bass	Gutknecht	Riley
Bateman	Hall (TX)	Rogan
Biggert	Hastings (WA)	Rogers
Bishop	Hayes	Rohrabacher
Bliley	Hayworth	Ros-Lehtinen
Blunt	Hefley	Ryan (WI)
Boehner	Herger	Ryun (KS)
Bonilla	Hill (IN)	Sandlin
Boucher	Hill (MT)	Sanford
Boyd	Hilleary	Scott
Brady (TX)	Hilliard	Sensenbrenner
Bryant	Hoekstra	Sessions
Burr	Hostettler	Shadegg
Burton	Houghton	Shaw
Buyer	Hulshof	Shimkus
Callahan	Hunter	Shows
Camp	Hutchinson	Shuster
Cannon	Hyde	Simpson
Chabot	Isakson	Sisisky
Chambliss	Jenkins	Skeen
Chenoweth-Hage	John	Smith (MI)
Clement	Johnson, Sam	Smith (TX)
Clyburn	Jones (NC)	Souder
Coble	Kingston	Spence
Collins	Knollenberg	Spratt
Combest	Kolbe	Stearns
Condit	Largent	Stenholm
Cooksey	Latham	Stump
Cramer	LaTourette	Sununu
Crane	Lewis (CA)	Sweeney
Cubin	Lewis (KY)	Talent
Danner	Linder	Tancredo
Davis (VA)	Lucas (KY)	Tanner
Deal	Lucas (OK)	Taylor (NC)
DeLay	Martinez	Terry
DeMint	McInnis	Thomas
Diaz-Balart	McIntyre	Thompson (MS)
Dickey	Mica	Thornberry
Doolittle	Miller (FL)	Tiahrt
Dreier	Miller, Gary	Toomey
Duncan	Mollohan	Vitter
Ehrlich	Moran (KS)	Walden
Emerson	Murtha	Wamp
English	Ney	Watkins
Etheridge	Northup	Watt (NC)
Everett	Norwood	Watts (OK)
Ewing	Nussle	Weldon (FL)
Fletcher	Ortiz	Weldon (PA)
Forbes	Oxley	Weller
Fossella	Packard	Whitfield
Fowler	Paul	Wicker

NOT VOTING—36

Bachus	Jones (OH)	Rangel
Berman	Kasich	Reyes
Canady	Klink	Rothman
Clayton	Kuykendall	Roybal-Allard
Coburn	Lazio	Salmon
Cook	Leach	Smith (WA)
Cox	McCollum	Tauzin
Dixon	McCrery	Tierney
Filner	McIntosh	Towns
Gekas	Myrick	Vento
Istook	Pomeroy	Wynn
Johnson, E. B.	Radanovich	Young (AK)

□ 1019

Messrs. SKEEN, SHADEGG and HILLIARD changed their vote from ''aye'' to ''no.''

Mrs. BONO, Mr. PORTMAN and Mr. CALVERT changed their vote from ''no'' to ''aye.''

So the amendment was agreed to.

The result of the vote was announced as above recorded.

Mr. HUTCHINSON. Mr. Chairman, I move to strike the last word.

The CHAIRMAN. Is the gentleman the designee of the gentleman from Kentucky?

Mr. HUTCHINSON. I am, Mr. Chairman.

The CHAIRMAN. The gentleman from Arkansas is recognized for 5 minutes.

Mr. HUTCHINSON. Mr. Chairman, I thank the chairman of the committee for this recognition. I rise to discuss the issue of methamphetamine lab cleanup, an issue of great importance to my State of Arkansas and to the rest of rural America. Let me also thank the gentleman from Kentucky for including funds in the bill for meth lab cleanup for fiscal year 2001. This much needed appropriation bill that provides meth lab cleanup for 2001 will ensure that we do not find ourselves in a crisis situation again. As we all know, the DEA ran out of funds for this critical program in mid-March and many of us have been working to find additional fiscal year 2000 funds through a variety of sources. Unfortunately, the need is still pressing.

I would like to inquire whether the gentleman from Kentucky would be willing to continue working with me and other interested Members to address the fiscal year 2000 shortfall before the end of this fiscal year.

I yield to the gentleman from Wisconsin (Mr. RYAN) who has also been very active in this effort.

Mr. RYAN of Wisconsin. Mr. Chairman, I thank the gentleman from Arkansas for yielding, and I would like to thank him for his leadership on this issue. I would like to reinforce the importance of funding for meth lab cleanup for Wisconsin and the majority of rural America. Our local law enforcement agencies do not possess the resources to fund meth lab cleanup, and therefore we currently have two meth labs in my district that are sitting and waiting until funds can be made available from the DEA to clean them up. This presents a serious safety and environmental danger.

I would also like to inquire of the gentleman from Kentucky if he will work to continue to address the shortfall in the current fiscal year for the meth lab cleanup.

Mr. ROGERS. Mr. Chairman, will the gentleman yield?

Mr. HUTCHINSON. I yield to the gentleman from Kentucky.

Mr. ROGERS. I thank both of the gentlemen for their leadership on this very important issue. It is a matter that we have been dealing with in our subcommittee now for some time attempting to find the funds to be able to adequately fight this battle. I will remain committed to working with them and with the Senate and the administration to resolve the fiscal year 2000 funding shortfall.

Mr. HUTCHINSON. I thank the gentleman for that commitment and for his leadership on this issue.

Mr. GOODLATTE. Mr. Chairman, I move to strike the last word.

The CHAIRMAN. Is the gentleman the designee of the gentleman from Kentucky?

Mr. GOODLATTE. I am, Mr. Chairman.

The CHAIRMAN. The gentleman from Virginia is recognized for 5 minutes.

Mr. GOODLATTE. Mr. Chairman, I was going to say that I rise to do this, but I guess I will just say that I seek to engage in a colloquy with the chairman of the subcommittee. The chairman has been very diligent in his efforts to provide funding for various law enforcement needs. I greatly appreciate that.

One of the areas is in the category of missing and exploited children. One of the areas that is of grave concern to me and a great many other Members of Congress is the problem of child pornography and child sexual exploitation on the Internet. It is a very, very serious problem. In the past, funds have been specifically designated for the purpose of providing funding to State and local law enforcement agencies to combat this. In last year's legislation, $6 million was so appropriated. I had intended to offer an amendment this year which provides that that $6 million or more be specifically designated for that purpose. The gentleman from Kentucky has indicated that this can be taken care of in conference and that this money will indeed ultimately be so designated.

I hope to engage in a colloquy here to find out if indeed that is the case and he can indicate to me his plans for providing these funds for this specific purpose. They are a part of the, as I understand it, $19 million that is for missing and exploited children in general. At this point the chairman has not earmarked any of that money, but we are concerned that this money not go somewhere else and is provided to local law enforcement for the purpose of combating this serious problem on the Internet.

Mr. ROGERS. Mr. Chairman, will the gentleman yield?

Mr. GOODLATTE. I yield to the gentleman from Kentucky.

Mr. ROGERS. I will continue to work with the gentleman to provide funding for this program at least at last year's level.

Mr. GOODLATTE. I thank the gentleman. That is very helpful.

Mr. GREEN of Wisconsin. Mr. Chairman, I move to strike the last word.

The CHAIRMAN. Is the gentleman the designee of the gentleman from Kentucky?

Mr. GREEN of Wisconsin. Yes, Mr. Chairman.

The CHAIRMAN. The gentleman from Wisconsin is recognized for 5 minutes.

Mr. GREEN of Wisconsin. Mr. Chairman, I rise to engage the gentleman from Kentucky in a colloquy.

Mr. Chairman, this bill appropriates $130 million for the Department of Justice to distribute to State and local governments under the Criminal Identification Technical Improvement Act.

Mr. ROGERS. If the gentleman will yield, that is correct.

Mr. GREEN of Wisconsin. Mr. Chairman, as the gentleman from Kentucky

knows, among the programs and uses that are eligible for money are those to help State and local crime laboratories in reducing the backlog in their convicted offender DNA sample databases and updating their laboratory equipment for this purpose. These criminal DNA databases are playing a vital role in tracking down the guilty and freeing the innocent.

Unfortunately, as we have heard over the last few days, many States and local governments are overwhelmed and are falling behind on getting these DNA samples logged onto their system, and they require additional funding. This is where Federal grants can make an important difference. State and local crime labs need our help to address this growing backlog.

Mr. Chairman, through this colloquy today, I hope we can send a strong message to the Justice Department urging them to give grants for these DNA sampling-related activities extra weight and every reasonable consideration.

Would the chairman of the committee agree with me on the importance of reducing the convicted offender DNA sample backlogs?

□ 1030

Mr. ROGERS. Mr. Chairman, will the gentleman yield?

Mr. GREEN of Wisconsin. I yield to the gentleman from Kentucky.

Mr. ROGERS. Mr. Chairman, I agree with the gentleman from Wisconsin (Mr. GREEN) and appreciate his attention to this pressing issue. I would hope that the Department of Justice shares our views on this and acts accordingly.

Mr. GREEN of Wisconsin. Mr. Chairman, I thank the chairman, the gentleman from Kentucky (Mr. ROGERS), for his support and commend him on crafting a bill that addresses our crime-fighting needs.

Mr. GILMAN. Mr. Chairman, will the gentleman yield?

Mr. GREEN of Wisconsin. I yield to the gentleman from New York.

Mr. GILMAN. Mr. Chairman, I thank the gentleman from Wisconsin (Mr. GREEN) for yielding to me and appreciate him for bringing this important issue to the floor at this time.

Mr. Chairman, earlier this year I testified before the subcommittee concerning the growing nationwide backlog of unanalyzed convicted offender DNA samples. As we are all aware, every day the use of DNA evidence is becoming a more important tool to our Nation's law enforcement personnel; and last year I began to work with the FBI, with New York Governor George Pataki and the New York State Police Department to develop a cooperative and comprehensive resolution of this problem.

Consequently, I introduced H.R. 3375, the Convicted Offender DNA Index System Support Act to assist local, State, and Federal law enforcement personnel by ensuring that crucial resources are provided to our DNA databanks and our crime labs.

Mr. Chairman, our Nation's fight against crime is never over. The Justice Department estimates that erasing our Nation's convicted offender backlog alone could resolve at least 600 pending cases. I hope the House will pass this final legislation. Mr. Chairman, I look forward to working with the gentleman from Kentucky (Mr. ROGERS) in conference to ensure proper funding to eliminate this DNA backlog.

Mr. ROGERS. Mr. Chairman, will the gentleman yield?

Mr. GREEN of Wisconsin. I yield to the gentleman from Kentucky.

Mr. ROGERS. Mr. Chairman, I commend the gentleman from New York (Chairman GILMAN) and the gentleman from Wisconsin (Mr. GREEN) for their interest and work in this vital issue, and I look forward to working with them to eliminate this backlog.

Mr. GILMAN. If the gentleman will continue to yield, I thank the gentleman from Kentucky (Chairman ROGERS) for his time and appreciate his efforts to address the backlog to provide our Nation's law enforcement community with the state-of-the-art equipment that is so sorely needed to fight violent crime throughout our Nation.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

SEC. 104. None of the funds appropriated under this title shall be used to require any person to perform, or facilitate in any way the performance of, any abortion.

SEC. 105. Nothing in the preceding section shall remove the obligation of the Director of the Bureau of Prisons to provide escort services necessary for a female inmate to receive such service outside the Federal facility: *Provided*, That nothing in this section in any way diminishes the effect of section 104 intended to address the philosophical beliefs of individual employees of the Bureau of Prisons.

SEC. 106. Notwithstanding any other provision of law, not to exceed $10,000,000 of the funds made available in this Act may be used to establish and publicize a program under which publicly advertised, extraordinary rewards may be paid, which shall not be subject to spending limitations contained in sections 3059 and 3072 of title 18, United States Code: *Provided*, That any reward of $100,000 or more, up to a maximum of $2,000,000, may not be made without the personal approval of the President or the Attorney General and such approval may not be delegated.

SEC. 107. Not to exceed 5 percent of any appropriation made available for the current fiscal year for the Department of Justice in this Act, including those derived from the Violent Crime Reduction Trust Fund, may be transferred between such appropriations, but no such appropriation, except as otherwise specifically provided, shall be increased by more than 10 percent by any such transfers: *Provided*, That any transfer pursuant to this section shall be treated as a reprogramming of funds under section 605 of this Act and shall not be available for obligation except in compliance with the procedures set forth in that section.

SEC. 108. Section 108(a) of the Departments of Commerce, Justice, and State, the Judiciary, and Related Agencies Appropriations Act, 2000 (as enacted into law by section 1000(a)(1) of Public Law 106–113) shall apply for fiscal year 2001 and thereafter.

SEC. 109. Section 3024 of the Emergency Supplemental Appropriations Act, 1999 (Public Law 106–31) shall apply for fiscal year 2001.

SEC. 110. For fiscal year 2001 and thereafter, section 109 of Public Law 103–317 (28 U.S.C. 509 note) shall apply only to litigation in which the United States, or an agency or officer of the United States, is a defendant.

SEC. 111. Section 115 of the Departments of Commerce, Justice, and State, the Judiciary, and Related Agencies Appropriations Act, 2000 (as enacted into law by section 1000(a)(1) of Public Law 106–113) shall apply for fiscal year 2001.

AMENDMENT NO. 21 OFFERED BY MR. DAVIS OF VIRGINIA

Mr. DAVIS of Virginia. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment No. 21 offered by Mr. DAVIS of Virginia:

Page 37, strike lines 12 through 16 (section 111).

Mr. DAVIS of Virginia. Mr. Chairman, I rise today to offer this amendment to the Commerce, State, Justice appropriation. This would allow the judicial process to move forward for a number of attorneys at the Justice Department.

Mr. Chairman, I think it is important for Members to know that the Department of Justice has violated, in my judgment, and continues to violate title 5 of the Federal Employee Pay Act, FEPA, by deliberately refusing to pay overtime to its attorney personnel. Now, DOJ knows that this policy of not paying overtime is contrary to the law, as its own Office of Legal Counsel officially advised years ago and there is a pending lawsuit on this.

The current legislation strikes down paying this year's overtime and would not be able to pay it out of this year's appropriation which would be about $50 million, but this does not score under the CBO rulings.

Rather than coming to compliance with the law in response to a class action that has been filed against it, DOJ has now run to Congress pleading for immunity from the statutory requirement. The proposal that DOJ inserted in last year's appropriation bill and seeks again this year would make its attorney personnel the only employees within the Department of Justice who are not entitled to overtime and the only attorneys employed by the Federal Government who are not entitled to overtime. Because DOJ attorneys already are statutorily entitled to this compensation, the appropriations language DOJ seeks constitutes what is, in effect, a 20 percent to 25 percent pay cut for our Nation's prosecutors.

I think this proposal is grossly unfair. We need to remember that first-year associate salaries at the Nation's leading law firms now exceed $120,000 a year; but new attorneys at the Department of Justice with similar credentials make approximately $40,000 a year. While the most seasoned prosecutors at DOJ, people who have put their

career to working for the Justice Department, are capped at just over $100,000 a year.

Many of our seasoned attorneys, the best people we are counting on in these lawsuits that we are defending and bringing across the country, U.S. attorneys offices, are making less money than first-year associates at some of the leading law firms in the country.

This legislation is a pay cut, because, in effect, it is a salary reduction, because if this lawsuit is settled or is won this year, we could not pay the money from this year.

In fairness to my good friend, the gentleman from Kentucky (Mr. ROGERS), who is the chairman of the subcommittee, this language which I said before was placed in last year's omnibus appropriations package was done so at the requests of the Department of Justice. The Department obviously fearing that the court will find for the attorneys has asked the Congress to let them off the hook again this year.

We delayed Justice for long enough. Every year, the Department of Justice attracts the best and the brightest attorneys from all the top law schools, but this is not going to continue if we are not allowed to pay these people what they are worth and what they are entitled to under the law.

These young attorneys knowing they could make hundreds of thousands of dollars more in the private sector choose to still serve the public interest. Assistant U.S. Attorneys work long hours of overtime, they have sued under existing labor laws to be compensated for that overtime; and if they win, no dollars now could be paid out this year for this year's overtime that they are paying out.

If my colleagues are worried about the potential costs, no this is not a budget issue, not a budget issue. The Congressional Budget Office has informed us that striking section 111 will have no impact on the FY2001 Federal budget, but what it will do is restore some semblance of responsibility to the Department of Justice.

Mr. Chairman, I cannot remember the last time that an agency in the executive branch so blatantly and callously asked this House to exempt them from their responsibilities. We have just been fighting over this, Justice Department going on, not paying their own employees, attorney personnel.

Once again, all the other attorneys in the other agencies are compensated; in Justice Department they are not, and they are the only Justice Department attorneys that are not. I hope that we can adopt this amendment or give some assurance that we can address this downstream from the committee chairman at this point.

Mr. MORAN of Virginia. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I rise in support of this amendment, as well, offered by my colleague, the gentleman from Virginia (Mr. DAVIS), to strike section 111 from this bill. This is an issue of basic fairness for thousands of Justice Department attorneys in my district and throughout the Nation.

The Department of Justice is the only Federal agency violating Federal wage law. For the second straight year, the Justice Department has asked, and the committee has agreed, to insert into the bill a moratorium on using funds appropriated under this bill to pay overtime to Justice Department lawyers.

This moratorium is being imposed at a time when this issue was before the courts as part of a class action lawsuit brought by DOJ lawyers to force their Department to pay overtime in compliance with title 5, and it is entirely possible that the courts will rule this year in favor of the plaintiff lawyers, and then we have this language that prevents them from being able to implement the decision of the court.

These assistant U.S. Attorneys work nearly 2 million hours of overtime in one recent year, but were compensated for only 63 hours. They work 2 million hours and were compensated for 63 hours. They have to keep two separate records, one real and one phony. We are just asking that the real one be recognized instead of the phony one. The other attorneys in the other Federal agencies are getting fully compensated for overtime, and our assistant U.S. Attorneys are getting paid less than the attorneys in other Federal agencies who are doing the same work.

These attorneys who work for the Justice Department, though, have particularly difficult jobs. Many of them have to leave their homes and families for weeks at a time to try cases in distant parts of the country. They are involved in stressful cases often involving serious organized crime or complex litigation. I have heard of Department of Justice lawyers being awakened in the middle of the night to argue the merits of an emergency injunction for the Government. Some have received threats because of their work.

They perform these services at a lower salary than they can work in the private sector. As the gentleman from Virginia (Mr. DAVIS) cited, a first year law student in many of those law firms is making six figures, and these people come in at $40,000 on average. Senior lawyers certainly on K Street are making five times what we pay these assistant U.S. attorneys for the Department of Justice.

It is not fair. The problem is that the American people are going to suffer because we are not going to be able to retain the best lawyers. We are not going to have the best representation if we do not compensate them fairly. They are treated in a manner that is completely contrary to the way that lawyers and other Federal agencies are treated, and it is just unfair.

It is not a partisan issue, Mr. Chairman. The Congressional Budget Office has advised us that section 111 will have no fiscal impact; so for any number of reasons, but the most important is fairness, I urge my colleagues to do what is fair and equitable for our Nation's Justice Department.

Ms. JACKSON-LEE of Texas. Mr. Chairman, will the gentleman yield?

Mr. MORAN of Virginia. I yield to the gentlewoman from Texas.

Ms. JACKSON-LEE of Texas. Mr. Chairman, let me say very briefly the gentleman from Virginia (Mr. MORAN) made an eloquent argument, particularly in the marketplace today. As a Member of the Judiciary Committee, and I know that we know what practice in law many years ago the salaries that compensated new law graduates, we have not bright, young people in our government agencies, bright, young people at the Department of Justice. It seems only fair that in order to keep the best and the brightest on behalf of the American people, that we should provide them with their overtime. This is a good amendment and we should support it.

Mr. MORAN of Virginia. Mr. Chairman, reclaiming my time, I thank the gentlewoman from Texas (Ms. JACKSON-LEE) very much for her comments. They were right on.

Mr. ROGERS. Mr. Chairman, I rise in opposition.

Mr. Chairman, the provision that the Davis amendment proposes to strike is identical to the provision that is in the current act. This has been in the bill now for some time. All this provision does is to ensure that the Department of Justice, especially the U.S. Attorneys, are not hit with a huge funding shortfall in 2001. We are talking $50 million to $70 million that they would have to eat if something were not done in this bill.

The bill does not currently include any funds to pay overtime to lawyers at the Department of Justice. These attorneys like most other professionals in the Federal Government, have never been paid overtime, never. None of the professionals in the Government are paid overtime. While the issue of whether Department of Justice attorneys are entitled to overtime is a part of the lawsuit that is now pending and ongoing, the provision in this bill in no way affects the ongoing litigation.

What this provision does do is to ensure that the Department of Justice, particularly U.S. Attorneys, are not hit with a funding shortfall of as much as $50 million in 2001 should the lawsuit be decided in favor of the attorneys who have sued for overtime.

Mr. Chairman, that kind of a shortfall would trigger massive furloughs and reductions in force throughout the Department and in every U.S. Attorney's office in the country. Nor does this provision prejudge future congressional action. In fact, it is an issue that Congress needs to look at both from a policy and a funding perspective.

On the policy side, the issue is whether Congress, in fact, intended to provide overtime pay for Department

of Justice lawyers. In addition, the funding ramifications of paying overtime have to be considered. As a group, Department of Justice attorneys are compensated at the top end of the Federal pay scale; an average attorney salary is over $94,000; and for assistant U.S. attorneys, which have their own pay scale, the average is even higher.

As a result, payment of overtime will be a very significant cost to the taxpayer; and in the bill, we have maintained the status quo while the litigation goes on; and at the same time we give Congress the opportunity to further study this issue of whether or not fiscally or as a matter of policy to allow overtime to DOJ lawyers.

In the meantime, let us keep the status quo and do not prejudice the outcome, and I urge a rejection of this amendment.

□ 1045

The CHAIRMAN. The question is on the amendment offered by the gentleman from Virginia (Mr. DAVIS).

The question was taken; and the Chairman announced that the noes appeared to have it.

Mr. DAVIS of Virginia. Mr. Chairman, I demand a recorded vote.

The CHAIRMAN. Pursuant to House Resolution 529 further proceedings on the amendment offered by the gentleman from Virginia (Mr. DAVIS) will be postponed.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

SEC. 112. Section 286 of the Immigration and Nationality Act (8 U.S.C. 1356) is amended by adding at the end the following new subsections:

''(t) GENEALOGY FEE.—(1) There is hereby established the Genealogy Fee for providing genealogy research and information services. This fee shall be deposited as offsetting collections into the Examinations Fee Account. Fees for such research and information services may be set at a level that will ensure the recovery of the full costs of providing all such services.

''(2) The Attorney General will prepare and submit annually to Congress statements of the financial condition of the Genealogy Fee.

''(3) Any officer or employee of the Immigration and Naturalization Service shall collect fees prescribed under regulation before disseminating any requested genealogical information.

''(u) PREMIUM FEE FOR EMPLOYMENT-BASED PETITIONS AND APPLICATIONS.—The Attorney General is authorized to establish and collect a premium fee for employment-based petitions and applications. This fee shall be used to provide certain premium-processing services to business customers, and to make infrastructure improvements in the adjudications and customer-service processes. For approval of the benefit applied for, the petitioner/applicant must meet the legal criteria for such benefit. This fee shall be set at $1,000, shall be paid in addition to any normal petition/application fee that may be applicable, and shall be deposited as offsetting collections in the Immigration Examinations Fee Account. The Attorney General may adjust this fee according to the Consumer Price Index.''.

SEC. 113. During the current fiscal year, the Attorney General may not certify any amount for appropriation under section 1817(k)(3)(A)(i) of the Social Security Act (42 U.S.C. 1395i(k)(3)(A)(i)) to the Health Care Fraud and Abuse Control Account for any purpose of the Department of Justice, unless the Attorney General has notified the Committees on Appropriations, at least 15 days in advance, of the amount and purpose involved.

AMENDMENT NO. 24 OFFERED BY MS. JACKSON-LEE OF TEXAS

Ms. JACKSON-LEE of Texas. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment No. 24 offered by Ms. JACKSON-LEE of Texas:

Page 39, after line 8, insert the following:

SEC. 114. Section 286 of the Immigration and Nationality Act (8 U.S.C. 1356) is amended—

(1) in subsection (d), by striking ''$6'' and inserting ''$8''; and

(2) by striking subsection (e).

Mr. ROGERS. Mr. Chairman, I reserve a point of order against the amendment.

The CHAIRMAN. The gentleman from Kentucky reserves a point of order.

The gentlewoman from Texas is recognized for 5 minutes on her amendment.

Ms. JACKSON-LEE of Texas. Mr. Chairman, as the summer months begin, many more Americans will be traveling overseas, and we have found out through the complaints of the travelling public that as they come back into the country, the low number of inspectors has caused an enormous traffic jam that really makes their trip less enjoyable and less efficient and shows that the American Government cannot do our job.

The President's budget includes language that would increase the current user fee from $6 to $8 and would increase the current user fee to that amount and would lift the cruise ship exemption and institute an $8 cruise ship fee from passengers whose journeys originate in Mexico, Canada and the United States, territorial possessions of the United States, or any adjacent island in the United States.

This amendment will pay for 154 inspectors at new airport terminals. Current construction at San Francisco, Detroit, Miami and Philadelphia international airports will increase the number of international gates and primary inspection booths. In my own city of Houston, where there is a need for as much as 113 inspectors, we have a very small number of 68.

With the anticipated increase in international travelers at each location, INS will require additional inspectors in order to process all passengers within 45 minutes. Mr. Chairman, if you could imagine, the lines get longer and longer and longer and the wait gets longer and longer and longer; and our United States citizens and others coming into this country are inconvenienced more and more and more. They look to the United States to be an efficient, well-oiled working machine. I think this simple increase is not a burden in order to create a more efficient system and to protect the traveling public.

Mr. Chairman, we need this amendment in order to pay for these additional immigration inspectors at these busy airports and hubs. I met with the INS Commission, and I know that this is a severe problem. As I noted, in my own home city of Houston, Texas, that the lines are long and airlines and airports are in serious danger of losing business. The lack of the adequate number of immigration inspectors, particularly during these summer months when we have the July 4th weekend coming up, is an important matter to fix. Let us remedy this problem and pass this amendment.

POINT OF ORDER

Mr. ROGERS. Mr. Chairman, I make a point of order against the amendment because it proposes to change existing law and constitutes legislation in an appropriations bill and violates clause 2 of rule XXI.

The CHAIRMAN. Does any Member wish to be heard on the point of order?

Ms. JACKSON-LEE of Texas. Mr. Chairman, I would like to be heard on the point of order.

Mr. Chairman, let me note that in this legislation, the section that I am amending, the Immigration and Nationality Act, is being amended in section 111 with a genealogy fee, and I note I am doing the same thing, so I would ask that the point of order be lifted and that this amendment be allowed to be voted on.

The CHAIRMAN. Does any Member wish to be heard further on the point of order?

If not, the Chair is ready to rule. The Chair finds that the amendment proposes directly to change the Immigration and Nationality Act. As such, it constitutes legislation, in violation of clause 2(c) of rule XXI.

The point of order is sustained.

The Clerk will read.

The Clerk read as follows:

This title may be cited as the ''Department of Justice Appropriations Act, 2001''.

TITLE II—DEPARTMENT OF COMMERCE AND RELATED AGENCIES

TRADE AND INFRASTRUCTURE DEVELOPMENT

RELATED AGENCIES

OFFICE OF THE UNITED STATES TRADE REPRESENTATIVE

SALARIES AND EXPENSES

For necessary expenses of the Office of the United States Trade Representative, including the hire of passenger motor vehicles and the employment of experts and consultants as authorized by 5 U.S.C. 3109, $26,433,000, of which $1,000,000 shall remain available until expended: *Provided,* That not to exceed $98,000 shall be available for official reception and representation expenses.

AMENDMENT NO. 31 OFFERED BY MR. OBEY

Mr. OBEY. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment No. 31 offered by Mr. OBEY:

Page 39, line 21, after the dollar amount, insert the following: ''(increased by $1,300,000)''.

Page 41, line 8, after the dollar amount, insert the following: ''(increased by $17,700,000)''.

Page 41, line 13, after the dollar amount, insert the following: ''(increased by $6,300,000)''.

Page 41, line 14, after the dollar amount, insert the following: ''(increased by $9,900,000)''.

Page 41, line 16, after ''Service,'' insert the following: ''$1,500,000 shall be for transfer to the Department of Agriculture for trade compliance activities,''.

Page 71, line 1, after the dollar amount, insert the following: ''(increased by $3,000,000)''.

Mr. ROGERS. Mr. Chairman, I reserve a point of order against the amendment.

The CHAIRMAN. The gentleman from Kentucky reserves a point of order.

The gentleman from Wisconsin is recognized for 5 minutes on his amendment.

Mr. OBEY. Mr. Chairman, 2 weeks ago the House passed the bill on China trade policy. I did not support that bill; the majority did. I am not here to enter into another argument about what we should have done on that bill, but I do believe if we are going to enter into that type of trade relationship with China, or any other country, that we have to rigorously enforce the agreement to ensure the full benefit for American companies, American workers, and American farmers.

The problem is that this appropriations bill, which is produced by the majority party, which pushed so hard for eliminating the application of Jackson-Vanik to China, provides no additional funding to the agencies charged with oversight, monitoring and enforcement of that trade agreement.

The office of U.S. Trade Representative, the Department of Commerce, the Department of State, the Department of Agriculture simply need additional resources to make sure that the Chinese implement and comply with that signed agreement. They have a record of not complying; and without vigilant monitoring and enforcement of that agreement by American agencies, U.S. workers, companies and consumers will have no assurance that they are going to receive the benefits that they are allegedly going to receive under that proposition.

The administration's request for the trade compliance initiative was a modest $22 million in total to support compliance efforts with China and to more rigorously enforce ongoing trade agreements. Of the amount, $16.2 million is budgeted for the Commerce Department, $3 million for State, $1.3 million for the Trade Representative's Office, and $1.5 million for the Department of Agriculture.

This amendment simply provides the full amount requested by the administration, including the amount requested and not provided in the agriculture bill for USDA's role in monitoring and enforcing trade agreements.

What is not included in my amendment today, but what I believe needs to be considered as we move through the process, is funding for the additional oversight and monitoring of functions that were proposed in conjunction with the PNTR bill by the gentleman from Michigan (Mr. LEVIN) and the gentleman from Nebraska (Mr. BEREUTER). My amendment would simply be the first step in ensuring that expanding trade with China and any current or future trade partner is carried out with the least cost and the most return to U.S. consumers, workers, and companies.

Again, the majority party in this bill has provided no additional funding to the Department of Commerce and the other trade agencies to enforce the U.S. trade laws and implement safeguard provisions, providing no assurance to U.S. companies and workers who could be hurt by a flood of imports from China.

I would point out that what this bill does, for instance, is it doubles resources for import surge monitoring; it increases by 25 percent the number of analysts working on expedited dumping and subsidy investigations; it triples the number of compliance officers in Washington working on China; and for the first time, it would put compliance officers on the ground in China and create an office devoted to China dumping cases.

In addition, it would double the number of compliance officers in Washington working on Japan and put compliance officers on the ground there also. It would add 10 analysts to Japan dumping cases. I have experienced that personally with a problem affecting a company in my own district.

It would also create a technical assistance center to help small businesses and unions understand available trade remedies, and it would help collect data necessary to file the required cases.

I would point out that, in my view, this bill is underfunded by at least $1 billion in meeting our peacekeeping responsibilities, our responsibilities to the Weather Service and other agencies under NOAA, law enforcement, Legal Services and the like; and I think this is just a small restoration of what we will eventually be required before the President is willing to affix his signature on this bill.

The CHAIRMAN. The time of the gentleman from Wisconsin (Mr. OBEY) has expired.

(By unanimous consent, Mr. OBEY was allowed to proceed for 1 additional minute.)

Mr. OBEY. Mr. Chairman, I would also say that I have a letter from our friend, Jerry Jasinowski, at the National Association of Manufacturers, which is in support of the full administration request for these items, and I would simply quote two paragraphs:

We do not want our members to be on the alert for compliance problems only to find out that the administration lacks the resources to bring about enforcement actions on the issues we raise. It is important that the administration be able to act when we see problems. Therefore, I strongly urge you to support the administration's request for $26.6 million in funding for expanded compliance and enforcement, particularly the Commerce Department's Market Access and Compliance Initiative, into which we will be feeding the problems we uncover.

This increase in Commerce's Market Access and Compliance funding in the fiscal 2001 budget is the minimum that will translate foreign commitments into more exports for U.S. firms and more high paying job opportunities for Americans. Candidly, we would like to see even more. We need this program to ensure we receive the benefits of China's entry into the WTO.

Mr. Chairman, it just seems to me that if this House passed that effort 1 week ago, it, at a minimum, has an obligation to do this and then to follow on with the additional protections suggested by the gentleman from Nebraska (Mr. BEREUTER) and the gentleman from Michigan (Mr. LEVIN) down the line.

Mr. ROGERS. Mr. Chairman, I intend to assert the point of order; but before doing so, let me rise in opposition to the amendment.

Mr. Chairman, the bill provides an increase of $13 million over the current level for the U.S. Trade Representative, International Trade Administration, and International Trade Commission. This funding continues the overseas presence of the foreign commercial service at the current level of operations. Likewise, the bill provides full base funding for the Department of State to continue current their overseas staffing levels.

If there is a requirement for personnel with specific expertise in trade monitoring, there is certainly room within the overall funding level to redirect funds to that priority. So there is plenty of money in this bill for the purposes for which the gentleman is concerned.

POINTS OF ORDER

Mr. ROGERS. Mr. Chairman, I make a point of order against the amendment because it is in violation of section 302(f) of the Congressional Budget Act of 1974. The amendment would provide new budget authority in excess of the subcommittee allocation made under section 302(b), and is not permitted under section 302(f) of the act.

I ask for a ruling.

The CHAIRMAN. Does any Member wish to be heard on the point of order?

Mr. OBEY. Mr. Chairman, I would like to be heard.

Mr. Chairman, as I indicated earlier, many times on this floor now the decision of the Republican leadership to cut over $1 billion in needed programs in this bill out of the President's budget request was caused by their desire to pass a whole series of tax packages which, among other things, gave $200 billion in tax relief to the wealthiest

400 Americans last week, and under those circumstances, because there is no——

Mr. ROGERS. Mr. Chairman, I have a further point of order.

The CHAIRMAN. The gentleman will state his point of order.

Mr. ROGERS. Mr. Chairman, we are supposedly addressing the Chair on the point of order only, is that not correct?

The CHAIRMAN. The gentleman from Kentucky is correct.

Mr. OBEY. Mr. Chairman, I am addressing the point of order; but they will be my words, not those of the gentleman from Kentucky, or else we will be here a long time. I can strike the last word and go on forever, if the gentleman wants me to.

The CHAIRMAN. The Chair will hear the gentleman from Wisconsin out on the point of order.

Mr. OBEY. The point I was making before I was interrupted is that because the majority party has chosen to put first their requirement to take every possible dollar and put it into tax cuts for the wealthiest 2 percent of people in this country, that means that we do not have sufficient room to fund the programs that are necessary in this bill in order to get a presidential signature.

□ 1100

Therefore, I regretfully have to concede the gentleman's point of order.

The CHAIRMAN. The gentleman concedes the point of order, and the point of order is sustained.

Mr. LEVIN. Mr. Chairman, I move to strike the last word.

Mr. Chairman, before we move on, I do want to say just a few words about the matter that we have just been discussing. The distinguished chairman of the subcommittee and I have discussed this matter briefly, and I understand the budget constraints under which he is working. I hope, however, that we do not translate those constraints into an argument that the amount provided herein is adequate for the compliance efforts that are needed in terms of trade legislation, including China PNTR. Because that is simply not correct.

If the administration request is not met eventually in terms of USTR, here is what would happen. This relates to critical legislation relating to trade. The USTR would not be able to fund 13 trade compliance positions, including seven related to China; I repeat, 13 trade compliance positions, including seven related to China. We simply cannot abide that. The economic relationship with China, as well as with other countries, is a complex one, and we simply have to meet the challenges of compliance.

In terms of the Commerce Department, if the administration request is not met, what it means is that Commerce will not be able to fund 19 enforcement officers in the market access compliance unit devoted to China enforcement and monitoring; and 16 trade analysts for import administration. Indeed, Commerce, which did not receive cost of living increases, will have to decrease staff in import administration and in the market access compliance unit. There are other ramifications in this bill for the ITC.

So I would simply urge that while the point of order has been upheld, and the gentleman from Wisconsin (Mr. OBEY), having fought the good fight, reluctantly has to acquiesce because of the shape of the budget resolution, that as this matter moves through the process, there will be an effort, and a successful one, to meet our obligations. We cannot pass trade legislation that involves major compliance and enforcement issues and then not provide the administration with the wherewithal to carry out those obligations. As Mr. Jasinowski said, that would be bad for the business community. It will be bad for the entire community, for the workers and the businesses of this country.

Mr. Chairman, I would like it understood that as far as the gentleman from Nebraska (Mr. BEREUTER) is concerned, I am sure, and the vast majority of us, we will not yield until this matter is attended to.

Mr. SERRANO. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I would like to see if my chairman, the gentleman from Kentucky (Mr. ROGERS) would enter into a colloquy.

Mr. ROGERS. Mr. Chairman, if the gentleman will yield, I would be delighted to.

Mr. SERRANO. Mr. Chairman, I have been certainly trying to work closely with the gentleman on making this bill a better bill and making this process a better process, but I am a little troubled by any limitation of speaking time. So I would ask if the gentleman would consider, as a gentleman to a gentleman, on any point of order the gentleman may have, just withholding that point of order, reserving his right to it, and allowing everyone else to speak on it so we do not engage in something that may look like stifling of opposition on some of the issues.

I certainly wanted to speak on the last amendment; I know I can do it by striking the last word, but by the gentleman cutting off the debate as he did, I think he just creates a situation over here that we do not need at this time.

Mr. ROGERS. Mr. Chairman, will the gentleman yield?

Mr. SERRANO. I yield to the gentleman from Kentucky.

Mr. ROGERS. Mr. Chairman, I would be happy to do that. However, yes we did that, and the debate went on interminably on items that were stricken on a point of order. I want to be lenient and to be fair, but there is a limit; we have a clock to deal with.

Mr. SERRANO. Mr. Chairman, reclaiming my time, I understand that, but I am not a big fan of curtailing time, and I am also not a big fan of a process which starts off with letting everybody speak under the 5-minute rule and then stopping people at the end of the bill from speaking more than they are allowed to. I think it is wrong, and I think it makes it worse if people, on a point of order, are cut off immediately so that they have to find unique ways of speaking on an issue that they should have spoken on when the amendment was on the floor.

Mr. ROGERS. Mr. Chairman, will the gentleman yield?

Mr. SERRANO. I yield to the gentleman from Kentucky.

Mr. ROGERS. Mr. Chairman, we can work together on this.

Mr. OBEY. Mr. Chairman, will the gentleman yield?

Mr. SERRANO. I yield to the gentleman from Wisconsin.

Mr. OBEY. Mr. Chairman, let me simply note for observation by the gentleman from Kentucky that the Rules of the House allow Members, if the majority decides to proceed under an open rule and under the 5-minute rule, the Rules of the House allow Members to strike the last word any time they want in order to make their points. All the gentleman from New York (Mr. SERRANO) is suggesting is that it makes more sense to have those remarks come in direct relationship to an amendment rather than having to strike the last word after the amendment has been disposed of.

We did not put this bill together on the minority side, it is put together on the majority side, and it should not be surprising that those in the minority who have no opportunity to, in fact, change the content of the bill at least want an opportunity to explain their concerns about it, which is what the normal amendment process is supposed to be all about.

Mr. ROGERS. Mr. Chairman, will the gentleman yield?

Mr. SERRANO. I yield to the gentleman from Kentucky.

Mr. ROGERS. Mr. Chairman, yesterday, I do not think anyone can say that we were not completely lenient. I mean we sat here listening to maybe an hour and a half or 2 hours at one point.

Mr. OBEY. Mr. Chairman, I fully agree with that.

Mr. ROGERS. We spent time listening to people who spoke on a matter that everyone knew was subject to a point of order and we allowed that to take place. I want to continue to be as lenient as possible and will do so to work with my colleagues, but we must bear in mind that we have to finish this bill before eternity strikes us.

Mr. SERRANO. Mr. Chairman, reclaiming my time, there is a point here that yesterday on the Justice part of the bill everyone got a chance to speak and it seems like we are going to curtail on other parts. We are either blessed or cursed by the fact that our bill covers a lot of areas, and I think all areas deserve time.

As far as time, we really have until October before we have to panic.

AMENDMENT NO. 61 OFFERED BY MR. ENGLISH

Mr. ENGLISH. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment No. 61 offered by Mr. ENGLISH:

Page 39, line 21, after the dollar figure, insert ''(increased by $3,000,000)''.

Page 55, line 11, after the dollar figure, insert ''(decreased by $3,000,000)''.

Mr. ENGLISH. Mr. Chairman, I rise to offer this amendment which would appropriate an additional $3 million for the Office of the U.S. Trade Representative. These extra funds would satisfy the USTR request to add 25 new employees to handle negotiations, monitoring, and enforcement of trade agreements. These positions within the USTR are needed to add permanent trade negotiators to several offices with four or fewer professionals, including offices for China, agriculture, environment, Africa, and economic affairs.

With the passage of Permanent Normal Trade Relations for China, this amendment is the essential next step. With an ever-increasing amount of trade activity and with the United States having entered into numerous trade relationships, including NAFTA and the WTO, we must make certain that our trading partners honor the promises and commitments that were made. Approval of these funds is critical to acquire the needed staff for monitoring and compliance of the U.S.-China bilateral agreement and China's accession to the World Trade Organization.

The amendment presents a simple choice: jobs for constituents and export-oriented firms or in industries threatened by illegal and predatory practices, or more money for administration and bureaucracy. All too often, countries do not fulfill their obligations regarding trade agreements, which results in job loss. It is imperative that we show our constituents that we are serious about protecting U.S. jobs. We need to invest now in patrolling our markets and open new ones. Congress must make certain that USTR is given the proper tools to monitor and enforce these trade agreements. The English amendment provides the necessary funding for enforcing the trade agreements that we have entered into.

Mr. Chairman, I would like to take this opportunity to review some of the new positions that would be added if this $3 million is appropriated for USTR. USTR is proposing to add 25 new positions. Of these positions, two will be added to enforce agricultural negotiations. At a time when our farmers are struggling, we need to make sure that their needs are being met and that market access is being addressed.

If we are concerned about China, and some of the other speakers have been, one position will be added to assist in the administration of the agricultural agreement of April 1999 and the WTO market access agreement negotiated last November. There is a position that focuses on Japan to negotiate market-opening measures under the bilateral deregulation initiative, including those on housing and energy.

If my colleagues are concerned about the environment, which many of my colleagues are, a staff person would be added to work on the WTO built-in agenda and other negotiated environmental agreements. The labor specialist would be added to work on trade-related labor issues and human rights. A policy expert would be added to carry out trade agreements with Africa, a building on the recently-passed African Growth and Opportunity Act. In addition, three positions, which focus mainly on monitoring and enforcement regarding WTO and NAFTA cases, provide and help to enforce U.S. trade laws such as sections 201, 301, special 301, GSP, and other laws relating to intellectual property, and government procurement would be provided for under this amendment.

Two policy experts would be added to specialize on economic affairs to analyze economic effects and enforcement cases. Lastly, several positions would be added to enforce and monitor existing regional arrangements.

Mr. Chairman, it is incomprehensible to me how USTR is managing to enforce these agreements with the limited staff that they already have. As trade liberalization spreads throughout the world, however we may feel about trade issues, whichever side of the debate on free and fair trade we may be on, we need to recognize that the U.S. needs to be prepared to provide the necessary resources to be our watchdog on trade. We need to help USTR here.

Mr. Chairman, this is a modest amendment, it is one that enjoys bipartisan support, and I hope that the Chamber will join me in making this commitment to free, fair, and open trade.

Mr. OBEY. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I find this amendment interesting and in some ways, contradictory. What this amendment does is to provide about $3 million to the U.S. Office of Trade Representative, but it really, as I understand it, does two things. It does, as the gentleman has indicated, provide additional resources to that agency to monitor trade agreements; but it also, in my view, goes beyond that and also provides additional resources for that agency to, in fact, work on new trade agreements.

Now, a lot of people in this House will have no objection to that. I personally would prefer to see solid enforcement of the trade agreements we now have before we move on to new ones.

Secondly, I would point out that, and I am not going to oppose the amendment, but I do want to highlight what I think the remaining shortcomings are that this Congress has still refused to meet, because what this does is to totally leave out additional funding for the agency that does the real job of on-the-ground monitoring and enforcement of our trade agreements.

□ 1115

This still does not make available the resources which I sought to make available in my amendment that would triple the number of compliance officers and put compliance officers on the ground in China, and add 10 analysts to Japan dumping cases, and do a variety of things that the Commerce Department does in order to protect the interests of American companies and American workers.

So there is no real harm in the amendment, I suppose, except that the source for funding for this amendment comes from the Commerce Department itself, and in that sense will squeeze that agency's ability to meet its responsibilities.

So as I say, this is a small thing. I have no real objection to it. I do question the source. Given the problems associated with the bill, I understand why the gentleman has gone to that source. But I do not think we should kid ourselves that we have done a terrific job of enforcing trade laws and protecting American interests in those enforcement actions by adding funds only to this agency.

If we do not fund the administration request for the Commerce Department enforcement, we will have, I think, provided the stem on a fig leaf, and done little more to protect the interests of either American workers or companies.

Mr. CRANE. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise in support of the amendment. USTR's appropriation under the CJS bill is $3.2 million less than its request, and this amendment would bring its appropriations closer to its request.

This is a remarkable agency. It operates on a lean budget while charged with enormous responsibilities. USTR's' annual operating budget has remained virtually level during the 1990s, and almost all budget increases since FY91 have been used to meet legislated employee pay raises and other rising costs of doing business.

Despite a no-growth budget, and even though the agency's workload has exploded, USTR has made impressive accomplishments. It has concluded a significant number of trade agreements, and has successfully resolved 25 dispute settlement cases in the first 5 years of the WTO.

With China's imminent accession to the WTO, a strong, well-funded USTR is more necessary than ever to monitor foreign compliance with WTO obligations and to enforce our rights under the WTO.

The ability of U.S. producers to export their products depends upon USTR's efforts to open foreign markets and keep them open. This leads to increased global trade, which leads to our economic prosperity. But USTR cannot fulfill its mission without these urgently needed funds. This amendment

is essential to help USTR do what Congress and the American people expect, and I urge Members to support this amendment.

Mr. SERRANO. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, like the gentleman from Wisconsin (Mr. OBEY), I will not oppose the amendment, but I do understand that the funds that are very much needed for trade enforcement do come in the Commerce Department's administration.

I would like to make two points. First of all, the Commerce Department in general in this bill is starved very seriously. In fact, they claim that, in general, they are $112 million below the money they need to operate properly.

Secondly, they are $19 million below what they need in administration, including what Secretary Daley needed for security at the Commerce Department.

So while we do not oppose, I would hope that the gentleman from Kentucky (Chairman ROGERS) would understand that acceptance of this amendment means that we do have to try to find a few dollars later, in addition to the other dollars for the Commerce Department.

Mr. INSLEE. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I would speak in favor of this amendment, because I think it gives us an additional tool to in fact put WTO to work for us.

I want to address one very important issue where we need to put WTO to work for us in enforcement of our trade agreements. That is this emerging threat from the Airbus Industrie to the primacy of our aerospace industry.

Right now while we speak there are plans afoot for European governments to heavily subsidize, perhaps to the area of $4 billion, the research development projects for the new generation double-deck double-aisle jumbo jet, super jumbo jet by Airbus. This appears to be clearly in violation of WTO and agreements we have reached with the European community in at least two respects: number one, it clearly shows a subsidized loan situation by which several governments in Europe have already agreed to effectively subsidize through these governmental loans this development of this aircraft; and secondly, the abject failure and refusal of the European community to show us any critical project assessment, which was required by our 1992 agreement.

Mr. Chairman, we need to use these funds to make sure that we aggressively pursue enforcement of the WTO treaties, which are now being breached, and our 1992 agreements with the European community. I believe an investigation will show that these agreements have not been honored, and that we face the loss of aerospace primacy, which is important to the thousands of Boeing workers, I must say, in my district, but important to the whole United States economy.

Let us pass this amendment. Let us go forward to put WTO to work to keep aerospace number one in this country.

Mr. ROGERS. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I believe this is a good amendment. I would hope that Members would support it. The USTR needs more funding, and we will attempt to remedy the source that the amendment seeks in later proceedings on this bill, so I would urge support for the amendment.

Mr. VISCLOSKY. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I also rise in strong support of the English amendment, and want to thank the gentleman from Pennsylvania (Mr. ENGLISH), my good friend, for offering this.

While I am concerned about the general funding levels for the Department of Commerce, and recognize that we are already $19 million below the request, I do think that we need to ensure that the promises that have been made in the past, whether it be on NAFTA, whether it be on the World Trade Organization, or more recently, permanent most-favored-nation status on China, which I happened to oppose at the last issue, as well as NAFTA, be kept, now that a vote has taken place in the House of Representatives.

We need to ensure that we have adequate personnel so that we can enforce those promises, and to ensure that everyone is abiding by international trade statutes, U.S. trade statutes, so those in America who work for a living and who in 1998 made a nickel less for their average hour's worth of work than they did in 1980 are ensured that our departments are on the job and protecting their interests.

I do thank the gentleman for offering this amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Pennsylvania (Mr. ENGLISH).

The amendment was agreed to.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

INTERNATIONAL TRADE COMMISSION

SALARIES AND EXPENSES

For necessary expenses of the International Trade Commission, including hire of passenger motor vehicles, and services as authorized by 5 U.S.C. 3109, and not to exceed $2,500 for official reception and representation expenses, $46,995,000, to remain available until expended.

DEPARTMENT OF COMMERCE

INTERNATIONAL TRADE ADMINISTRATION

OPERATIONS AND ADMINISTRATION

For necessary expenses for international trade activities of the Department of Commerce provided for by law, and engaging in trade promotional activities abroad, including expenses of grants and cooperative agreements for the purpose of promoting exports of United States firms, without regard to 44 U.S.C. 3702 and 3703; full medical coverage for dependent members of immediate families of employees stationed overseas and employees temporarily posted overseas; travel and transportation of employees of the United States and Foreign Commercial Service between two points abroad, without regard to 49 U.S.C. 1517; employment of Americans and aliens by contract for services; rental of space abroad for periods not exceeding 10 years, and expenses of alteration, repair, or improvement; purchase or construction of temporary demountable exhibition structures for use abroad; payment of tort claims, in the manner authorized in the first paragraph of 28 U.S.C. 2672 when such claims arise in foreign countries; not to exceed $327,000 for official representation expenses abroad; purchase of passenger motor vehicles for official use abroad, not to exceed $30,000 per vehicle; obtaining insurance on official motor vehicles; and rental of tie lines and teletype equipment, $321,448,000, to remain available until expended, of which $3,000,000 is to be derived from fees to be retained and used by the International Trade Administration, notwithstanding 31 U.S.C. 3302: *Provided*, That $62,376,000 shall be for Trade Development, $19,755,000 shall be for Market Access and Compliance, $32,473,000 shall be for the Import Administration, $194,638,000 shall be for the United States and Foreign Commercial Service, and $12,206,000 shall be for Executive Direction and Administration: *Provided further*, That the provisions of the first sentence of section 105(f) and all of section 108(c) of the Mutual Educational and Cultural Exchange Act of 1961 (22 U.S.C. 2455(f) and 2458(c)) shall apply in carrying out these activities without regard to section 5412 of the Omnibus Trade and Competitiveness Act of 1988 (15 U.S.C. 4912); and that for the purpose of this Act, contributions under the provisions of the Mutual Educational and Cultural Exchange Act shall include payment for assessments for services provided as part of these activities.

EXPORT ADMINISTRATION

OPERATIONS AND ADMINISTRATION

For necessary expenses for export administration and national security activities of the Department of Commerce, including costs associated with the performance of export administration field activities both domestically and abroad; full medical coverage for dependent members of immediate families of employees stationed overseas; employment of Americans and aliens by contract for services abroad; payment of tort claims, in the manner authorized in the first paragraph of 28 U.S.C. 2672 when such claims arise in foreign countries; not to exceed $15,000 for official representation expenses abroad; awards of compensation to informers under the Export Administration Act of 1979, and as authorized by 22 U.S.C. 401(b); purchase of passenger motor vehicles for official use and motor vehicles for law enforcement use with special requirement vehicles eligible for purchase without regard to any price limitation otherwise established by law, $53,833,000, to remain available until expended, of which $1,870,000 shall be for inspections and other activities related to national security: *Provided*, That the provisions of the first sentence of section 105(f) and all of section 108(c) of the Mutual Educational and Cultural Exchange Act of 1961 (22 U.S.C. 2455(f) and 2458(c)) shall apply in carrying out these activities: *Provided further*, That payments and contributions collected and accepted for materials or services provided as part of such activities may be retained for use in covering the cost of such activities, and for providing information to the public with respect to the export administration and national security activities of the Department of Commerce and other export control programs of the United States and other

governments: *Provided further,* That no funds may be obligated or expended for processing licenses for the export of satellites of United States origin (including commercial satellites and satellite components) to the People's Republic of China, unless, at least 15 days in advance, the Committees on Appropriations of the House of Representatives and the Senate and other appropriate committees of the Congress are notified of such proposed action.

ECONOMIC DEVELOPMENT ADMINISTRATION

ECONOMIC DEVELOPMENT ASSISTANCE PROGRAMS

For grants for economic development assistance as provided by the Public Works and Economic Development Act of 1965, as amended, and for trade adjustment assistance, $361,879,000, to remain available until expended.

AMENDMENT OFFERED BY MS. KAPTUR

Ms. KAPTUR. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment offered by Ms. KAPTUR:

Page 43, line 24, before the period insert '': *Provided,* That of these funds, such sums as may be necessary may be used to assist, under the Public Works and Economic Development Act of 1965, communities adversely affected by the implementation of permanent normal trade relations with China''.

Mr. ROGERS. Mr. Chairman, I reserve a point of order on the amendment.

Ms. KAPTUR. Mr. Chairman, this is a very straightforward amendment that operates under the existing authorization and depends upon funds already in the bill.

Essentially, it says that if there is a community that loses its jobs to China, they have a right to be covered under the assistance programs offered by the Economic Development Administration, just as much as any community in America that might lose jobs to Mexico or to Honduras or to Taiwan. Currently all of these programs at the Department of Commerce are available under EDA for assistance to communities that have lost jobs.

Unfortunately, when China permanent normal trade relations was passed here a couple of weeks ago, there were no provisions in that bill, unlike NAFTA, for adjustment assistance to communities and individuals who will be harmed by that measure.

In fact, the U.S. International Trade Commission, an entity of our own government, estimates that the new agreement with China will eliminate more than 870,000 jobs in our country, more than three-quarters of a million jobs. Communities will be imploded from north to east, south, west, all across this country.

The amendment we are proposing operates out of such sums as may be necessary, basically using the existing authority within the bill. It does not set aside funds just for China, but it says, do not forget communities that will be harmed by the loss of jobs to China.

I would also remind my colleagues that in the report accompanying the bill, the following is stated:

The committee expects the Economic Development Administration to continue its efforts to assist communities impacted by economic dislocations related to all industry downswings and timber industry downturns due to environmental concerns at no less than the current level of effort; in other words, to assist communities that are hurt, regardless of the industry.

We certainly expect adverse impacts from the China vote. There will be beneficiaries of that vote, but for those communities that will be hurt, there is absolutely no reason not to allow those communities to be assisted through the Economic Development Administration.

If Members come from an area that knows what happened with NAFTA, then they have to support this amendment, because they need to prepare for what is likely to be coming as a result of normalizing relations with China.

For the record, let me state that this title includes $361,879,000 for the Economic Development Administration. That is $45 million below the administration's request, but within the committee bill itself there is $10,500,000 that is specifically identified in the report also for trade adjustment assistance.

We would hope that for those communities that will lose their jobs to China, that that trade adjustment assistance contained in this measure would also be available to those communities that are impacted, just as it would be if a community loses its jobs to Mexico, as has happened in so many places across the country, or to Taiwan.

It does not matter where, but we should not exclude China. One of the most glaring omissions of the China debate here in the Congress was the fact that there is no reporting required of where jobs are moved from and to, there is no eligibility for dislocated workers, and no funds specifically set aside, as we did under NAFTA.

Now, unless we pass this amendment, we are going to be saying that we do not give the Department of Commerce's Economic Development Administration permission within existing authority and existing funds to assist those communities that will be heavily impacted by, as the International Trade Commission says, a loss of over 870,000 jobs to China in the near term.

So I think it would be very shortsighted not to pass this amendment. I would beg of the chairman of the subcommittee to give full consideration.

Mr. HUNTER. Mr. Chairman, will the gentlewoman yield?

Ms. KAPTUR. I yield to the gentleman from California.

Mr. HUNTER. Mr. Chairman, I want to thank the gentlewoman. I also have the same concern the gentlewoman has about job losses under PNTR. I think the amendment is an excellent one, and commend it to all of my colleagues.

Ms. KAPTUR. I want to thank the gentleman very much for his support.

Mr. ROHRABACHER. Mr. Chairman, will the gentlewoman yield?

Ms. KAPTUR. I yield to the gentleman from California.

Mr. ROHRABACHER. Mr. Chairman, I think it is important for us to note, when we look at this issue that the gentlewoman is bringing before us today, that the central issue on permanent normal trade relations to China was blurred. Time and again people talked about, well, this is a trade issue.

Well, in fact, the central core of permanent normal trade relations is a subsidy in the bill, and within that is the concept of that type of trade relation with China, in which we actually subsidize, with taxpayer dollars, through the Export-Import Bank and other government institutions, those businessmen that are investing in China.

□ 1130

In other words, a businessman who closes a factory here or refrains from investing in building jobs here and goes to Communist China can expect the Export-Import Bank and other taxpayer subsidies to, for example, give them a lower interest rate or guarantee their loans. And if we are doing that with taxpayer dollars, at least let us watch out for the American people who are paying for that.

Ms. KAPTUR. Reclaiming my time, Mr. Chairman, I thank the gentleman for his support on the amendment and would beg of the chairman inclusion of this amendment in the committee bill.

POINT OF ORDER

Mr. ROGERS. Mr. Chairman, I make a point of order against the amendment because it provides an appropriation for an unauthorized program and, therefore, violates clause 2 of rule XXI. I ask for a ruling of the Chair.

Ms. KAPTUR. I could not hear the gentleman. Could he please repeat his objection to including China under the eligible programs for communities in America that will be excluded from coverage?

The CHAIRMAN. Does the gentlewoman wish to be heard on the point of order?

Ms. KAPTUR. Mr. Chairman, I just merely asked if the gentleman could repeat what he said. I could not hear him with the din in the Chamber.

Mr. ROGERS. The reason that I asked for a ruling was that this provides an appropriation for an unauthorized program and violates clause 2 of rule XXI.

The CHAIRMAN. Does the gentlewoman wish to be heard on the point of order?

Ms. KAPTUR. I do wish to be heard on the point of order, Mr. Chairman.

I would just ask the chairman of the subcommittee, then, by what he has said to me in refusing to accept our amendment, is the gentleman saying that if a community, like Salina, Ohio, loses jobs to China, Huffy Bicycle moved to China——

The CHAIRMAN. The gentlewoman will suspend.

Ms. KAPTUR. That that community will not be eligible for EDA assistance——

The CHAIRMAN. The argument on the point of order should be directed to the Chair and not toward the chairman.

The gentlewoman is recognized.

Ms. KAPTUR. I thank the Chair for reminding me of that. I would like to ask the Chair, does this mean, then, that if a community loses jobs to China, 2,000 people in Salina, Ohio, out of work because Huffy Bicycle moved to China, that that community would not be eligible for Economic Development Administration assistance? Is that the effect of the gentleman's rejection of my request to include this amendment in the bill?

The CHAIRMAN. Does any further Member wish to be heard on the point of order? If not, the Chair is prepared to rule.

The proponent of an item of appropriation carries the burden of persuasion on a question whether it is supported by an authorization in law. Having reviewed the amendment and entertained argument on the point of order, the Chair is unable to conclude that the item of appropriation in question is authorized by law. The Chair is, therefore, constrained to sustain the point of order under clause 2(a) of rule XXI.

The Clerk will read.

The Clerk read as follows:

SALARIES AND EXPENSES

For necessary expenses of administering the economic development assistance programs as provided for by law, $26,499,000: *Provided*, That these funds may be used to monitor projects approved pursuant to title I of the Public Works Employment Act of 1976, as amended, title II of the Trade Act of 1974, as amended, and the Community Emergency Drought Relief Act of 1977.

MINORITY BUSINESS DEVELOPMENT AGENCY

MINORITY BUSINESS DEVELOPMENT

For necessary expenses of the Department of Commerce in fostering, promoting, and developing minority business enterprise, including expenses of grants, contracts, and other agreements with public or private organizations, $27,314,000.

ECONOMIC AND INFORMATION INFRASTRUCTURE

ECONOMIC AND STATISTICAL ANALYSIS

SALARIES AND EXPENSES

For necessary expenses, as authorized by law, of economic and statistical analysis programs of the Department of Commerce, $49,499,000, to remain available until September 30, 2002.

AMENDMENT NO. 56 OFFERED BY MR. COBLE

Mr. COBLE. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment No. 56 offered by Mr. COBLE:

Page 44, line 21, insert after the dollar amount the following: ''(reduced by $10,000,000)''.

Page 45, line 24, insert after the dollar amount the following: ''(reduced by $40,000,000)''.

Page 48, line 23, insert after the dollar amount the following: ''(increased by $133,808,000)''.

Page 48, line 24, insert after the dollar amount the following: ''(increased by $133,808,000)''.

Page 73, line 19, insert after the dollar amount the following: ''(reduced by $98,808,000)''.

Mr. COBLE. Mr. Chairman, protection that the United States Patent Office offers to America's high-tech products protects the markets of their creators in this country and form the basis for obtaining patent protection abroad to allow these products to enter and compete in foreign markets, in other words, Mr. Chairman, creating high-wage jobs and promoting American exports.

Now, I had planned to reduce this bill by less than 1/2 of 1 percent across the board. I repeat, less than 1/2 of 1 percent was my initial goal. The parliamentarians ruled that out of order. And I am not being critical of the parliamentarians, they were simply doing their work, but by doing their work they forced me to then pick and choose; and that is what I had to do.

My amendment would increase funding for the Patent and Trademark Office by $133,808,000, which would bring the appropriations for the agency in line with the President's budget submission. This is, by our calculations, still $113 million short of what the PTO's budget should be based on its incoming fee revenue. The amendment is balanced by the spending reduction in other areas, which the Congressional Budget Office has assured us is neutral with respect to budget authority and outlays.

I have great respect for the distinguished gentleman from Kentucky and his able ranking member, the distinguished gentleman from New York. They worked very favorably with us on this, and I acknowledge the difficulties which they and others have faced in bringing this bill to the floor. That said, however, I emphatically believe that the Patent and Trademark Office is a Federal priority that contributes in an overwhelmingly positive way to our national economy.

The mark in this bill simply does not do the agency justice, especially in light of the fact that patent applications are increasing by 12 percent and trademark filings by another 40 percent. Given this workload, and the current funding level contemplated by H.R. 4690, the agency will be forced to deal with manpower shortages and delays in implementing modernization efforts. Patents and trademarks will issue more slowly, which will cost this country profits, growth and jobs.

My amendment is important to the American high-tech industry, the e-commerce revolution that is driving the United States economy. While I would prefer that this agency be allowed to retain all of the fees which it collects from its operations, I am willing to accept the current figure with my amendment. Again, with my amendment, Mr. Chairman, the PTO is still denied another $113 million, which it is expected to generate in user fees in fiscal year 2001.

Finally, Mr. Chairman, I should note that the Information Technology Industry Council is scoring this vote in its high-tech voting guide, and I will be submitting for the RECORD ITI correspondence, along with other letters of support, including those from the ABA and the National Association of Manufacturers.

Mr. Chairman, if I may finally say to my colleagues, we all need to know how many tax dollars are in the PTO. Not one brown penny. They are all user fees to be used exclusively to maintain and operate the Patent and Trademark Office.

Mr. Chairman, the documents I just referred to are as follows:

INFORMATION TECHNOLOGY INDUSTRY COUNCIL,
June 21, 2000.

Hon. HOWARD COBLE,
Chairman, Subcommittee on Courts and Intellectual Property, House of Representatives, Rayburn House Office Building, Washington, DC.

DEAR CHAIRMAN COBLE: I am writing to thank you for sponsoring an amendment to reverse the Appropriations Committee's diversion of an additional $134 million in Patent and Trademark Office (PTO) user fees over and above the $113 million already diverted in the Administration's budget request. ITI anticipates scoring the amendment in our High Tech Voting Guide.

ITI is the association of leading U.S. providers of information technology products and services. We advocate growing the economy through innovation and support free-market policies. ITI members had worldwide revenues exceeding $460 billion in 1999 and employ more than 1.2 million people in the United States. We use the High-Tech Voting Guide to measure Congressional support for the information technology industry and policies that foster the success of the digital economy. At the end of the 106th Congress, key votes will be analyzed to assign a ''score'' to every Member of Congress.

ITI's member companies already oppose the now longstanding practice of diverting PTO user fees into the general treasury and using a self-funding agency to subsidize other government operations. Unfortunately, the additional diversions approved last week by the Appropriations Committee will effectively cut 25% of the PTO's budget when the number of patent applications is growing at an unprecedented rate. The resulting increases in application pendency and decreases in quality of patents issued will act like a bottleneck on the new economy, especially in the growth areas of software and e-commerce inventions.

We urge all Members of Congress to support innovation in the new economy by voting for your amendment. Thank you for your leadership and please do not hesitate to contact ITI if we can be of assistance.

Best regards,

PHILLIP BOND,
Senior Vice President.

AMERICAN INTELLECTUAL PROPERTY LAW ASSOCIATION,
Arlington, VA, June 9, 2000.

Hon. HAROLD ROGERS,
Chairman, House Appropriations Subcommittee on Commerce, Justice, State, the Judiciary and Related Agencies, The Capitol, House of Representatives, Washington, DC.

DEAR MR. CHAIRMAN: I am writing on behalf of the more than 10,000 lawyers of the American Intellectual Property Law Association to express outrage over the action taken by your Subcommittee Tuesday evening which takes $295 million dollars of fee revenues to be collected by the United

States Patent and Trademark Office in FY 2001 and uses these monies to fund totally unrelated federal and state programs.

The $295 million that the Subcommittee mark will take from the Office will come from fees paid by patent and trademark applicants. This is not denying a taxpayer funded agency its requested budget; it is taking fees paid by applicants to receive services. Moreover, it is 25% of the total fee revenues that will be collected by the USPTO in fiscal year 2001!

The USPTO has received no taxpayer support since 1991. The Congress imposed enormous fee increases on patent and trademark applicants, ostensibly as a means of ensuring the continued vitality of the system. The large and small companies and individual inventors who reluctantly accepted those huge fee increases were told that the increased revenues would be used to reduce pendency, improve quality, and make the Office the envy of the industrialized world. Instead, the Office will have $295 million of its fiscal year 2001 fee revenues spent elsewhere, only being allowed to keep an increase over this year's inadequate funding of less than 4%—hardly enough to cover inflation. This paltry, token increase does not begin to take into account the facts that:

Patent application filings are up 14%;

Trademark application filings are up 42%; and

The Office is faced with implementing the most sweeping changes in the patent law in the last 50 years.

Notwithstanding these and other significant new demands on the USPTO's scarce resources, the Subcommittee's mark ensures that the already rising patent and trademark pendencies will continue their steady upward spiral. It is inconceivable that the Congress of the United States would take steps to undermine the engine of prosperity that the patent and trademark systems repesent, risking the unprecedented economic growth and jobs creation enjoyed by this great Nation during the last decade.

In the press release announcing the Subcommittee's action, you are quoted as stating that the CJS Appropriations Bill increases ''funding for key national priorities'' and ''gives no ground in the federal war against crime and drugs.'' I would submit that Tuesday's Subcommittee mark declares war on the patent and trademark systems. This action by the Subcommittee is surely cutting off the blood supply of resources to the USPTO—at a time when the United States is enjoying its greatest budget surplus in the last 30 years.

The wealth generation and positive trade balance from the export of high technology goods and services depend on vibrant, robust patent and trademark systems. The benefits of these systems cannot be assumed or taken for granted. Allowing their decay will reduce high-wage jobs and high-tech exports, and will ultimately reduce the tax revenue that is the foundation for a srong and prosperous Nation. We urge you to reconsider the funding for the USPTO when the CJS spending bill is taken up at the full Appropriations Committee mark-up. America's creative community demands and deserves such fair and equitable treatment.

Sincerely,

MICHAEL K. KIRK,
Executive Director.

INTELLECTUAL PROPERTY OWNERS ASSOCIATION,
Washington, DC, June 22, 2000.

Re vote for Coble amendment to increase funding for U.S. Patent and Trademark Office in Commerce-Justice-State Appropriations bill, H.R. 4690.

Hon. J. DENNIS HASTERT,
Speaker of the House
Washington, DC.

DEAR SPEAKER HASTERT: Our association strongly urges you to vote for the amendment to the Commerce-Justice-State bill that will be offered to day or tomorrow by Rep. Howard Coble. This amendment to free up an additional $134 million in patent and trademark fees for use by the Patent and Trademark Office (PTO) is critically important to hi-tech, biotech and many other industries that depend on patent and trademark rights.

Intellectual Property Owners Association (IPO) represents companies and individuals who own patents, trademarks, copyrights and trade secrets. Our members obtain about 30 percent of patents that are granted to U.S. nationals and federally register thousands of trademarks each year. They pay around $200 million a year in user fees to the PTO. Our members are largely technology-based and consumer products firms.

The drastic cut in funding for the PTO in the Commerce-Justice-State bill threatens the quality of patent examining and will cause pendency times for patent and trademark applications to rise to unacceptable levels. Patent workload is up 14 percent this year and trademark workload is up an unprecedented 40 percent. Even at the President's request level, average patent application pendency will rise to 31.7 months by 2005—a 52 percent increase in delay since 1996 that will cripple our members who rely on patenting their technology to help them compete in today's fast changing economy.

The Coble amendment is an important step toward restoring adequate funding for the PTO. We hope you will vote for it.

Sincerely,

HERBERT C. WAMSLEY,
Executive Director.

INTERNATIONAL TRADEMARK ASSOCIATION,
Washington, DC, June 22, 2000.

ATTN: CJS Appropriations Staff Person.

DEAR MEMBER OF CONGRESS: As President of the International Trademark Association (INTA), I ask for your support on an issue of serious concern to our members. The Commerce, Justice, State (CJS) FY 2001 Appropriations bill, which you will begin considering later today, contains an allocation for the U.S. Patent and Trademark Office (PTO) that in effect diverts $295 million in fees paid to the agency. This reduction will have a direct, immediate and devastating impact on the ability of the PTO to do its job.

Never before has the role of the PTO been so important or the challenges facing the agency been more demanding. In a thriving, technology-based economy, new products and services enter the market at a breakneck pace. It is essential that the PTO have the resources to support and sustain this economic boom. If the PTO lacks the examiners or the technology to conduct a thorough and efficient examination of the hundreds of thousands of trademark applications filed each year, this has tangible consequences for U.S. companies, as product launches are delayed and competitive opportunities lost. The government cannot allow itself to be a drag on this otherwise flourishing environment.

Indeed, Congress recognized this very fact last year when they passed landmark legislation to restructure and streamline the PTO, giving it greater autonomy and loosening the bureaucratic restrictions that hindered its ability to perform its business-oriented mission in a more business-like way. These changes—valuable as they are—mean little if Congress now denies PTO the resources to perform efficiently.

A point we have made many times before bears repeating: this is NOT taxpayer money that is being taken from the PTO. Every penny is derived from fees paid by intellectual property owners for services to be rendered by the PTO. The PTO can no longer be treated as a convenient ''cash cow'' to remedy budget shortages elsewhere in the government. We ask you to support an amendment by Rep. Howard Coble to restore the diverted user fees to the PTO.

Sincerely,

KIM MILLER,
President.

NATIONAL ASSOCIATION OF MANUFACTURERS,
Washington, DC, June 12, 2000.

Hon. C. W. ''BILL'' YOUNG,
House Appropriations Committee,
Washington, DC.

DEAR REPRESENTATIVE YOUNG: The National Association of Manufacturers (NAM) again protests the withholding or diversion of fees paid by inventors to the Patent and Trademark Office (PTO). The NAM—18 million people who make things in America—is the nation's largest and oldest multi-industry trade association. The NAM represents 14,000 member companies (including 10,000 small and mid-sized companies) and 350 member associations serving manufacturers and employees in every industrial sector and all 50 states.

At the Appropriations Committee markup tomorrow, the NAM urges you to put all the fees collected by the PTO to their only defensible use: serving the agency's fee-paying customers. Failure to do so will produce the following effects:

Continuing the hidden tax on inventors. Worse, this bad U.S. practice undermines U.S. business leaders in their attempts to remove or reduce even higher hidden taxes on U.S. patent holders around the world.

Hurting the timeliness or quality of patents, or both. Already, it usually takes as long to issue a patent as for the semiconductor industry to develop a next-generation product. That's too long. Taking away fees only makes matters worse. At a time when the agency's workload is growing fast—patent applications are up 12 percent this year and trademark applications are up 40 percent—it must keep all the fees just to stay abreast of the huge workload.

Undermining implementation of last year's patent legislation, the most significant in half a century.

Undermining the plan of entirely self-funding patent and trademark operations. Until a decade ago, Congress had to appropriate tax dollars partially to fund the patent and trademark system. But if Congress continues to treat the PTO as a cash cow, it may need to bail the agency out with tax dollars in the future.

For all these reasons, the NAM joined almost 20 other trade and professional associations in writing to you two months ago, urging you to end to the harmful practice of taking money away from the PTO. Most regrettably, last week the Commerce, State, Justice, and Judiciary Subcommittee evidently decided to withhold even more money than already proposed in the Administration's budget (documentation has not been publicly available).

Voting to do so entails accepting responsibility for deterioration of the patent system

at a time when technology is fueling the nation's economic growth. It would be hard to imagine a more shortsighted financial maneuver. The NAM urges you to reconsider the unwise diversion of patent and trademark fees.

Sincerely,

FRANKLIN J. VARGO
Vice President,
International Economic Affairs.

AMERICAN BAR ASSOCIATION, SECTION OF INTELLECTUAL PROPERTY LAW,
Chicago, IL, June 9, 2000.

Hon. C.W. BILL YOUNG,
Chairman, Committee on Appropriations, House of Representatives, Washington, DC

DEAR MR. CHAIRMAN: The Committee on Appropriations is scheduled to mark-up the Commerce, Justice, State and Judiciary appropriations bill on June 13. I am writing on behalf of the Section of Intellectual Property Law of the American Bar Association to express opposition to provisions in the bill as reported by the Subcommittee which deny authority for the United States Patent and Trademark Office (USPTO) to spend user fees to be collected in Fiscal Year 2001

The views expressed in this letter are those of the Section of Intellectual Property Law. They have not been submitted to nor approved by the ABA House of Delegates or Board of Governors and should not, therefore, be construed as representing policy of the American Bar Association.

The Section of Intellectual Property Law opposes denying the USPTO authority to utilize, in the year in which collected, any of the revenue derived from user fees paid to fund the services provided by the Office. While we oppose any and all such withholding of user fees, we most strongly oppose the extreme degree to which the denial of user fees has been taken in the bill as reported by the Subcommittee.

The President's budget proposal calls for withholding form USPTO use $368 million in user fees to be collected in FY 2001. After adjusting for authority to spend in FY 2001 user fees collected in previous years, the President's proposal still provides a funding shortfall of $113 million based on anticipated user fee collections. User fees are set by law so as to produce the revenue needed to fund the services of the USPTO, and the withholding of over $100 million—about ten percent of funding needed to run the Office—seriously jeopardizes the ability of the USPTO to support the vital areas of our economy which the Office serves.

While the President's proposal is dangerous and damaging, the Subcommittee's recommendation is disastrous. It proposes withholding still an additional $182 million, consisting of 4134 million more from collections as projected in the President's proposal, plus $48 million in additional fee revenue resulting from the expanded demand for the services of the Office, The net result would be funding for the USPTO at a level that is 25% less than the fees collected to run the Office.

The House Judiciary Committee, the authorizing Committee for the USPTO, asked the Under Secretary of Commerce for Intellectual Property for his assessment of the impact of the funding cuts proposed by the Subcommittee. His response is frightening. All hiring would have to be stopped. This includes not only expansion hiring to accommodate the ever growing demand for services, but also replacement hiring. As a result of such staffing reductions, services would be drastically slowed and reduced. The time delay in acting on trademark applications is expected to double, and action on patent applications would be slowed by one-third. Reduction and delay in services will result in a reduction in fee revenue, setting off a downward spiral that could be devastating to technological and innovative sectors which are so vital to our nation's economic and social health.

We urge you in the strongest possible terms to reject these crippling funding cuts, and to provide the USPTO funding equal to the fee revenue collected to run the Office.

Sincerely,

GREGORY J. MAIER,
Chair.

JUNE 22, 2000.

Hon. J. DENNIS HASTERT,
Speaker of the House, U.S. House of Representatives, Washington, DC.

DEAR SPEAKER HASTERT: The future competitive strength of the American economy depends upon the robustness of our high technology industries, and those industries in turn depend upon a strong patent and trademark system to secure property rights in new technologies both here and abroad. Recognizing this, Congress last year approved sweeping patent reform legislation designed to strengthen the rights of inventors, implement cost-efficient dispute resolution procedures, and facilitate implementation of ''best management'' principles at the Patent and Trademark Office (PTO).

These reforms were enacted into law at a critical time. However, what Congress has given with one hand, Congress is attempting to take way with the other through the appropriations process. We urge you to support restoration of the President's mark on the PTO budget, and to work with us to permanently end fee withholding so that the PTO may make full advantage of the process and structural improvements that Congress wisely enacted into law last year.

The PTO—now a fully user-fee-funded agency—is facing dramatically increasing demand for its services from inventors seeking patents, and entrepreneurs seeking protection for trademarks. In the last year, patent applications were up 14% and trademark applications were up 40%. In this environment, the quality and timeliness of examinations are directly related to the level of resources available hiring and training qualified examiners and implementing more advanced search tools. One of the objectives of the President's proposed FY '01 PTO budget is ensuring that the agency has the resources needed to reduce average patent ''pendency''—the time it takes to process the typical application—from 25 months (today's figure) to 20 months. In 1990, pendency stood at 18 months.

Unfortunately, the Appropriations Committee's FY '01 PTO mark proposes to withhold almost $295 million in fee resources that will be collected in the next fiscal year, making it impossible to achieve this goal. The fee withholdings—begun in 1991 as a deficit reduction measure—to date total $564 million. Withholding PTO user fees in order to score ''savings'' in the budget may be penny wise but is pound foolish when considered against the damage to our patent and trademark system.

Both timeliness and quality of examination are already deteriorating due to the accumulated deficit of resources. These trends will only worsen under the Committee mark. The PTO today faces growing pendency (which will soon exceed 30 months), inadequate staff, and the need to improve its methods. More and better-trained examiners, improved databases, and innovations such as online processing and examination of applications are critical needs. Such measures are all the more important as the PTO is required to deal with new and complex areas of patent activity, such as business method and software patents. Withholding PTO fees prevents such improvements.

Thank you for your attention to this issue.

Sincerely,

William T. Archey, President and CEO, American Electronics Association; Harris Miller, President, Information Technology Association of America; Rhett B. Dawson, President, Information Technology Industry Council; George Scalise, President, Semiconductor Industry Association; Ken Wasch, President, Software & Information Industry Association; Matthew J. Flanigan, President, Telecommunications Industry Association.

THE NATIONAL TREASURY EMPLOYEES UNION,
Washington, DC, June 21, 2000.

_____ _____,
U.S. House of Representatives, Washington, DC.

DEAR REPRESENTATIVE ———: NTEU, which represents many of the employees at the Patent and Trademark Office (PTO), is extremely distressed at the Draconian cut of $134 million from the Administration's budget proposal made by the Commerce/Justice/State Appropriations Subcommittee. This severe budget cut will do great harm to the PTO's mission and productivity. We understand Representative Howard Coble (R-NC) may offer an amendment to restore this funding. We ask you to vote YES on the Coble amendment.

As a fee-funded agency, PTO should have access to the fees it collects and PTO customers should have the service they are paying for. The diversion of these funds is simply wrong and unfair. The House should set PTO funding equivalent to the amount of fees collected and stop siphoning off these funds.

PTO is a growing agency that has struggled with limited resources to meet the highest standards of customer service. With patent and trademark applications rising this year by 12% and 40%, respectively, American inventors cannot afford to have their applications deferred, delayed and denied as they fuel the economic engine keeping our nation productive.

The reduced funding will force PTO to implement a hiring freeze which will mean that rather than reducing the time to process an application as American industry has demanded, pendency rates will skyrocket. Furthermore, these cuts will cripple the ability to implement PTO's e-commerce program. Rather than improve efficiency and lower pendency periods by electronic filing, the proposed appropriation will wreak havoc on this innovative and pro-inventor initiative.

It is an issue of human dignity to be able to lay claim to the fruits of one's intellect. Patents and trademarks are the institutional protection of intellectual property rights. The proposed appropriation denies this right to tens of thousands of American inventors. Our Union would appreciate your support on this matter.

Sincerely,

COLLEEN M. KELLEY,
National President.

AGILENT TECHNOLOGIES,
Washington, DC, June 20, 2000.

Hon. MARTIN T. MEEHAN,
U.S. House of Representatives, Washington, DC.

Re: Coble Amendment to the Commerce, State, & Justice Appropriations bill

DEAR REPRESENTATIVE MEEHAN: We write to express our strong opposition to the Commerce, State & Justice (CSJ) Appropriations bill that, we believe, will have a profound negative impact upon all U.S. innovators and companies who rely upon an efficient patent

system to secure and protect intellectual property. We urge you to support us in taking action to prevent the slowdown in technological progress and economic gains that may result if the CSJ Appropriations bill is passed in its current form.

On June 14, the Appropriations Committee gave its approval to the CSJ appropriations bill, which includes the appropriation for the U.S. Patent and Trademark Office (PTO). The President's FY 2001 Budget proposed withholding $113 million of the fees paid by the users of the PTO's services. The current allocation diverts $295 million of these fees away from the PTO and to taxpayer funded ventures. The repercussions of withholding $295 million will be devastating, as it accounts for 25% of the agency's income. The potential for decreased quality and efficiency in the PTO is great, due to the possibility that: A freeze on hiring and overtime pay for current staff might tempt patent examiners, trademark lawyers and others to leave the patent office. The imposition of restrictions on training for examiners and administrators. Waiting periods on first actions on patent applications, will increase from 11 months to 15 and for trademark applications from 4.5 months to 8. 150,000 patents may be rejected for an initial examination, not allowed or not issued at all. Planned electronic filing of patent applications may be reduced or eliminated.

Agilent Technologies is very concerned about this threat to innovational productivity. To this end. Representative Howard Coble is sponsoring an amendment to the CSJ appropriations bill that will be presented to the full House. The amendment would restore funding to the $1039 million level proposed by the Administration. Although this remains below FY 2000 levels, the restoration of some funds will help to reduce the possibility of negative outcomes outlined above.

Never before has the role of the PTO been so critical or the challenges confronting the agency been more demanding. In a thriving, technology-based economy, new products and services enter the market at a rapid pace. It is imperative that the PTO has the resources and support to maintain this economic boom.

Agilent Technologies is a diversified technology company dependent on new technologies and expanding markets. We urge you to support technology and innovation in all areas by voting in favor of a partial restoration of PTO funding through the Coble Amendment.

Sincerely,

FRANK ORLANDELLA,
Director, Federal Public Policy.

PEPSICO,
Purchase, NY, June 22, 2000.

Hon. HOWARD COBLE,
U.S. House of Representatives, Washington, DC.

Re: PTO User Fees

DEAR REPRESENTATIVE COBLE: I am writing on behalf of PepsiCo, Inc. to express our strong support for your proposed amendment to the Commerce Justice State Appropriations bill for fiscal 2001, to restore 134 million in PTO user fees to the PTO budget for 2001. We believe that the bill's proposed diversion of 295 million in user fees paid to the PTO threatens real harm to the PTO's ability to do its job and must be reversed.

Trademarks are vital to PepsiCo's business, and our user fees to the PTO in any given year are substantial. Our expectation in paying these fees is that they will be applied to PTO purposes to maintain the highest standards of operation and keep response times as short as possible. In an economy that increasingly favors the swift and reliable acquisition of intellectual property rights of all kinds, the PTO's function is far too important to put at risk.

PepsiCo urges you to take all appropriate action to restore this funding to the PTO.

Very truly yours,

ELIZABETH N. BILUS,
Intellectual Property Counsel.

PROCTER & GAMBLE,

To: Hon. HOWARD COBLE,
cc: Herb Ribinson, Greensboro, NC
From: Gordon F. Brunner, Chief Technology Officer
Re: Support Coble Amendment to the Commerce, Justice, State and Juddiciary Appropriations Bill

I write to express my deep concern regarding recent actions in the House Appropriations Committee that, I believe, will have a profound negative impact upon all U.S. innovators who reply upon an efficient patent system to secure and protect intellectual property. For this reason, I urge you to support the Coble amendment to the Commerce, Justice, State and Judiciary Appropriations bill.

The Appropriations Committee, on June 14, considered and voted upon the Commerce, State, & Justice appropriations bill, which includes the appropriation for the U.S. Patent and Trademark Office. This bill based in principle upon the President's budget submission continued what has now become a persistent policy of withholding a substantial portion of patent user fees in order to gain a scoring ''savings'' that can be applied to the benefit of taxpayer funded programs.

Procter & Gamble objected to this practice since it was first employed to accommodate the requirements of deficit reduction in the Omnibus Budget Reconciliation Act of 1990. Nevertheless, the President's FY 2001 budget submission proposed to withhold $113 million in fees on top of the $564 milllion that has been withheld to date. My company opposed this proposal directly and through the various associations that represent us. However, to our dismay, in its action on the 14th, the Committee increased the total amount of the withholdidng proposed in the President's budget. Under the Committee mark, fees appropriated to the PTO would fall short of actual collections by $295 million. This will not only prevent the PTO from moving forward with important improvements in patent and trademark search methodology and tools, but will also result in degradation of existing capabilities.

Both timeliness and quality of examination are already suffering due to the accumulated deficit of resources, and the conditioins will only worsen as a result of this action. The time it takes to process the typical application has increased from a historic low of 18 months in 1990 to 25 months today, and will soon increase to 30 months. Patent applications for new and complex technologies take even longer.

The PTO is required to deal with rapidly growing numbers of applications in diverse and intricate areas of research and discovery. The need to hire and train more examiners—and improve the search tools available to them—is critical. The issue is not merely one of providing ''more money'', but rather giving the PTO the benefit of the fee resources that are intended to fund the needs of the PTO.

Withholding patent user fees from the PTO is nothing less than a tax on innovation, as the PTO is fully user-fee-funded.

You can reverse this trend by supporting the Coble amendment to the Commeerce, Justice, State and Judiciary Appropriations bill.

ROHM & HAAS CO.,
Arlington, VA, June 14, 2000.

Hon. J. DENNIS HASTERT,
U.S. House of Representatives,
Washington, DC.

DEAR MR. SPEAKER: I wanted to register the strong concern of Rohm and Haas Company over an action by the House Commerce-Justice-State Appropriations Subcommittee to divert almost $300 million of Patent Office funding to unrelated governmental programs.

We are a research oriented company that relies upon a smooth functioning Patent Office to sustain our competitiveness. This level of diversion could erode the quality of patent examinations and cause delays in the issuance of patents and trademarks. The U.S. Patent Office is a user fee funded agency and should not be used as a source of funds for federal programs that do not otherwise meet spending caps.

I respectfully request your support for maintaining a properly funded Patent Office and not to divert its funds for other purposes. Thanks for your consideration and please feel free to contact me with any questions or comments.

Sincerely,

GEOFFREY B. HURWITZ,
Director of Government Relations.

To: The Hon. Harold Rogers, Chairman of the House Justice-State Appropriations Subcommittee, The Hon. C.Y. (Bill) Young, Chairman of the House Appropriations Subcommittee.

Cc: Members of the House of Representatives.

Date: June 12, 2000.

From: Edwin A. Suominen, Registered Patent Agent, Independent Inventor (Four U.S. Patents, additional patents pending.)

DEAR MR. CHAIRMAN: We are now enjoying record prosperity and budget surpluses thanks in large part to the phenomenal development of America's technology sector. Continuing this development requires a strong and fair patent system that protects new and exciting technologies while ensuring that those technologies are truly deserving of patent protection.

Please do not kill the goose that is laying the golden eggs! The subcommittee's proposed $300 million diversion of one fourth of all fees paid by patent applicants, an increase to unprecedented and impossibly burdensome levels, will be a hidden ''technology tax'' that will limit resources available for patent examination. Q. Todd Dickinson, the Director of the U.S. Patent Office, warns us that ''the last time we endured funding shortfalls and freezes of this magnitude, the recovery took over a decade.''

Someday, we could wind up turning a regretful eye back to the days of our surging high-tech economy and realize that we paid a very steep price for diverting $300 million from our patent examining operations. Crippling the operations of our patent office, and the consequent damage to our patent system, could wind up being the pinch of sand that ultimately grinds our high-tech economic miracle to a halt.

Do not let this happen! Allow the Patent Office to continue, unhindered by this proposed ''technology tax,'' to carry out its mission, as authorized by Congress under the encouraging words of the U.S. Constitution to ''promote the Progress of Science and useful Arts.''

Please feel free to contact me with any questions you may have.

Respectfully,

EDWIN A. SUOMINEN.

UNITED STATES PATENT
AND TRADEMARK OFFICE,
Washington, DC, June 9, 2000.

Hon. HOWARD COBLE,
Chairman, Subcommittee on Courts and Intellectual Property, Committee on the Judiciary, House of Representatives, Washington, DC.

Hon. HOWARD BERMAN,
Ranking Member, Subcommittee on Courts and Intellectual Property, Committee on the Judiciary, House of Representatives, Washington, DC.

DEAR MR. CHAIRMAN AND MR. BERMAN: Thank you for your request for information on the impact that the recent House Appropriations Subcommittee on Commerce, Justice, State, and the Judiciary mark-up for fiscal year 2001 will have on the United States Patent and Trademark Office (USPTO) and its customers.

As you know, the importance of intellectual property has increased exponentially in the last decade, and the USPTO has been a major factor in the Nation's ability to support the current high technology growth boom. This year alone, patent and trademark filings are increasing at a dramatic rate—a 40% increase in trademark application filings and a 12% increase in patent application filings.

All of our revenues, projected to be $1.2 billion in fiscal year 2001, are paid as fees by the knowledge-based high-tech leaders and individual entrepreneurs who rely on us to help them flourish in this economy. We are no burden to the American taxpayer. Moreover, we use activity-based cost management principles. Our fee revenues related directly to the work we do. We do not ''have a surplus'' or ''make a profit''.

The proposed mark would seriously impair our ability to effectively manage our operations and provide our customers with the quality products and services they expect and deserve. Since the mark would fund us at $904.9 million, or about 25% less than the total fees paid by our customers, we would be forced to make significant modifications in our operations.

Specifically, we have preliminarily determined that we would have to take the following actions:

FREEZE HIRING AND REDUCE ISSUANCE AND PRINTING

We would be forced to freeze hiring and eliminate overtime for all staff, thereby reducing costs by $56 million. This means we would not hire or replace over 1,000 staff members, including more than 600 patent examiners and trademark examining attorneys. In an agency such as ours, where the workload has grown by almost 75% since 1992, such actions would be extraordinarily counter-productive. We would also be forced to reduce spending on the preparation and printing of patents and trademark registrations by about $12 million.

According to our current estimates, this would result in more than 48,000 patent applications being denied an initial examination, 34,000 patents not being allowed, and an additional 68,000 patents actually not issuing. In addition, approximately 60,000 trademark registrations would not issue.

Additionally, the time it takes us to render a first action on the merits of both patent and trademark applications will increase significantly. For trademark applications, the time will almost double, from 4.5 months to 8 months; for patent applications, it will increase by almost one-third, from 11.9 months to 15.8 months.

Our appellate processes would also suffer. For example, the time it takes to hear and render decisions at the Trademark Trial and Appeal Board would almost double.

For many businesses, especially high-tech, entrepreneurial start-ups, intellectual property is often their principal asset. Delays like these would significantly affect their ability to protect those assets and grow their businesses, potentially crippling critical sectors of the United States economy.

NEGATIVE IMPACT ON CONSUMERS

Besides negatively impacting patent and trademark owners, the American consumer may also be adversely affected. Since delays in examination and issuance would result in an extension of patent term under the American Inventor's Protection Act, these budget cuts could also unnecessarily prolong the terms of many patents, potentially driving up costs to all Americans, in such vital areas as health care and pharmaceuticals.

ELIMINATE PLANNED E-GOVERNMENT INITIATIVES AND REDUCE EXISTING IT ACTIVITIES

To be a viable organization in today's high technology economy, the USPTO needs to conduct much more of its business electronically. We are well on the way to doing so, most notably, with our successful electronic trademark filing system and the availability of our patent and trademark databases via the Internet. Under the proposed mark, we would have to make reductions in this area of $37 million, which will force us to eliminate all new planned automation projects and severely curtail many of our already successful systems.

Specifically, we will be forced to significantly reduce or eliminate the planned electronic filing of patent applications, on-line database searching (with a consequent reduction in patent quality), our award-winning patents and trademarks on the Internet program, our work-at-home program, the electronic filing of assignments, and necessary upgrades or planned replacements to basic examiner computer equipment. We also would not be able to implement the replacement of our PTONet, which is the critical backbone of our information technology system, jeopardizing our entire operation.

REDUCE QUALITY INITIATIVES AND CUSTOMER SERVICE PROGRAMS

As you also know, we make customer service and quality one of our guiding principles here at the USPTO. Unfortunately, under this proposed mark, our quality initiatives and customer service programs would have to be reduced by $29 million. This would likely result in the elimination of support for the 87 Patent and Trademark Depository Libraries, which are located in every state in the Union, as well as drastically reduce support for the two public search facilities located in Arlington, Virginia.

Our successful quality management initiatives would be dramatically curtailed, along with quality assurance programs throughout the USPTO. Training for examiners and administrative support staff would also have to be significantly scaled back, if not eliminated. Finally, we would be unable to implement the recommendations of the Inspector General for increased staffing in our quality review program areas.

WORKFORCE IMPACTS

Our workforce here at the USPTO is among the most highly skilled and highly sought after in the New Economy, as well as the Federal Government. Cuts in areas such as overtime and training would severely weaken our ability to recruit and retain the high caliber staff, which is essential to our work.

Thank you again for all your years of steadfast support for all of us here at the United States Patent and Trademark Office and for all of those inventors and entrepreneurs who depend so heavily on our work. The intellectual property system of the United States is the envy of the world. Unfortunately, the cuts that would result from this proposed mark-up would harm our system. The last time we endured funding shortfalls and freezes of this magnitude, the recovery took over a decade. I know you share our hope that this does not happen again.

Sincerely,

Q. TODD DICKINSON.
Director.

Mr. ROGERS. Mr. Chairman, I rise in opposition to the amendment, and I rise in reluctant opposition simply because the offerer of the amendment is such a wonderful person and a great Representative and a great Chairman of the authorizing subcommittee dealing with the Patent and Trademark Office. But I have to oppose this amendment because it does enormous damage to the other agencies from which he seeks to take these monies.

This amendment would slash the economic and statistical analysis part of the Department of Commerce by $10 million. That is a decrease to that small office of some 20 percent. And as my colleagues may or may not know, this office is the Nation's economic accountant. That is the office that develops measures and systems to collect the data from government and private sources to measure the Nation's gross domestic product and other economic indicators. Without that office being run at full staff, we would not know what the status of the American economy is.

This bill provides $49 million for the ESA. We froze them at the current year level. And a decrease of 20 percent to this small office would seriously impact the country's ability to provide estimates of economic growth that everyone depends upon.

Now, the amendment would also cut $40 million from the census and the program lines within the Bureau of the Census. A decrease of 30 percent would be crippling, and I do not think we want to cripple the census at this point, do we?

But the most egregious cut would slash the Department of State Educational and Cultural Exchange program. It would cut it by almost in half, or $98.8 million cut. That would decimate things like the Fulbright Exchange Programs and the International Visitors Program. It would bring the international dialogue that is critical to American leadership in the world to a halt. This amendment would surely cause serious reductions in force, layoffs, in these agencies, and serious layoffs.

Mr. Chairman, I have great respect and admiration and friendship for the gentleman from North Carolina (Mr. COBLE). He is one of the best friends I have in this body, and I think he does a wonderful job in the chairmanship of the subcommittee for us, but I have to strongly oppose these amendments that would slash the funding for the Nation's Economic Statistics Agency that does our gross national product and for the Department of State's Educational and Cultural Exchange Program, which includes the Fulbright

Scholarship Program, and the other cuts that I have mentioned before.

Mr. Chairman, I have to urge and strongly urge a rejection of this amendment.

Mr. DREIER. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I will say that the gentleman from North Carolina, Greensboro, and my friend, the distinguished chairman of the important subcommittee that we are dealing with today, are two of my best friends in this institution, and I have been faced with a tough challenge, and that is I have to choose between two of my best friends. I know that conventional wisdom would say that I would come down on the side of the distinguished chairman of the subcommittee, but I am going to have to break with conventional wisdom, Mr. Chairman, and strongly support my friend, the gentleman from Greensboro, North Carolina (Mr. COBLE).

If we look at the fact that 45 percent of the gross domestic product growth in our Nation over the past 5 years has come from the technology sector of our economy, we clearly are in a position where we need to realize that the quality of life, job creation, and economic growth has hinged on our very, very important need to engage in global trade. The chairman of the Subcommittee on Courts and Intellectual Property of the Committee on Judiciary, the gentleman from North Carolina (Mr. COBLE), has, I believe, stepped forward and offered a very balanced amendment.

I am not supportive of the cuts in all the other areas that the chairman of the subcommittee has pointed out, but I do believe that we have a choice to make on our priorities; and I believe that the very important work that is done by the Patent and Trademark Office needs to be recognized and needs to be supported if we, as a Nation, are going to maintain our global competitiveness.

So I simply want to say that it was a tough choice; but I have decided to support my friend, the gentleman from North Carolina (Mr. COBLE), in this effort, because I clearly do believe that it is the right thing to do, and so I urge support of the amendment.

Mr. CONYERS. Mr. Chairman, I move to strike the requisite number of words.

(Mr. CONYERS asked and was given permission to revise and extend his remarks.)

Mr. CONYERS. My colleagues, I would like to join the subcommittee chairman, the gentleman from North Carolina (Mr. COBLE), to make a couple of points. The Patent and Trademark Office is one of the most efficient government agencies we have, and as a fully fee-funded organization, it takes no money from the Government and has come to be treated as a cash cow.

This is incredible. Here is a successful organization that is having so far about $500 million diverted from it, and all we are trying to do is restore $134 million of it because it is hurting the ability of the Patent and Trademark Office to service the creators and the inventors who are responsible for the current technology boom.

The combination of an increase in the number of patent applications and a reduction in resources has caused the time period for filing a patent and a final decision on it to grow from 19 months to 24 months in just a few years. And one reason for this is because many of the PTO examiners are leaving their government positions for more lucrative ones. The end result of this is that we could be losing our technological dominance in all of these important markets.

So if the PTO retained its fees, it could hire more examiners, shorten the period of scrutiny, and maintain our dominance. So the question is, how do we accomplish it? The answer is that, although we tried a lot of different ways of doing it, we think that this Robin Hood-type method ought to be changed.

So with this in mind, I support an amendment that returns $134 million in user fees to the PTO. It is a very modest sum, considering that otherwise this important office would lose over $200 million of its funds. So let us support the gentleman from North Carolina (Mr. COBLE).

Mr. MORAN of Virginia. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I offered this amendment in the full Committee on Appropriations. I had to withdraw it because there were no decent offsets, and there still are not any decent offsets. The gentleman from North Carolina knows how I feel about that. I do not think he likes these offsets either, taking it out of statistical sampling in the Census Bureau and out of cultural exchange programs.

The basic problem we are faced with is that we have a scorekeeping set of restrictions that are both arcane and inane. This is money that is paid by the users of this agency. They asked for us to put together an organization that was modern and efficient and professional so that our economy can continue to grow. This may be the Federal agency most responsible for the productivity, the innovation that is spurring our economic growth.

□ 1145

And what are we faced with? A situation where these people who have paid their user fees into this agency cannot even have that money used for the purpose for which it was intended. In fact, there is $295 million that has been paid in in user fees, and this amendment does not even attempt to use all of that money.

What it tries to do is restore the Patent and Trademark funding up to the President's request, which is $134 million more than what is in this appropriations bill.

I do not like these offsets, but I also know that it is not right to be crippling the Patent and Trademark Office's ability to process the patents, the trademarks, the innovation that enable us to be the leader of the global economy.

The reality is that the patents are now up by 12 percent, trademark applications are up by 42 percent. This bill has a 3 percent increase. We cannot keep pace with the demand.

Now, if this was a slow economy, if we were in some kind of a recession, if capital markets were not looking for innovative ideas, then maybe things would slow down. But the Patent and Trademark Office is simply trying to keep up with the pace of this economy and we are putting the brakes on. That is what this does, puts the brakes on.

So all we are trying to do is to enable Patent and Trademark to be able to at least partially meet the increased demand. When patents are up by more than 12 percent, trademarks are up by more than 42 percent, we ought to be able to increase to give a moderate increase in funding to the Patent and Trademark Office.

As far as these offsets, as I say, the scorekeeping is arcane and inane, but I do think some rationality will be put into the appropriations process when we get into the conference. I am sure that the Senate is going to recognize that there ought to be some increase and that, in fact, the scorekeeping just does not make sense.

If, however, this does not pass, then the PTO would be forced to operate with 25 percent less than the fees paid in by the users and it is going to cost much longer delay in the number of patents that are pending. That means that these companies and individuals cannot go out and get the kind of money they need to fund their new ideas, that people in other countries and competitors are going to be able to get the jump on them. But, most importantly, our economy is not going to be able to realize its full potential.

So this is something that makes sense. Our scorekeeping does not make sense but, hopefully, we will be able to correct that.

For that reason, I urge support of the amendment but with the caveat that I do so very reluctantly because these are lousy offsets. And I know that the gentleman suggesting this agrees that they are lousy offsets and we are going to have to fix that as the appropriations process moves forward.

Mr. HYDE. Mr. Chairman, I move to strike the requisite number of words.

(Mr. HYDE asked and was given permission to revise and extend his remarks.)

Mr. HYDE. Mr. Chairman, I am a strong supporter of the Coble amendment to this bill. I urge its adoption.

Mr. Dickinson, the Patent and Trademark Office director, reports that this bill, unamended, would force the agency to institute a hiring freeze that would prevent the director from replacing roughly 600 patent examiners and

attorneys who are scheduled to leave the agency in fiscal year 2001.

The director also reports that this funding level would increase the time required for PTO to process Patent and Trademark applications. Therefore, an additional 68,000 patents would be delayed until fiscal year 2002.

We are talking about user fees. These are fees paid to the PTO. We are not asking to borrow from other sources, other funds. We are asking to retain the user fees collected by the PTO.

I am certainly for a balanced budget. And Congress has to set priorities, but this is not a good priority. This Patent and Trademark Office facilitates the economy in a way that other agencies cannot. It is important that we retain our technological edge. It is important that inventors and developers get the protection they need to encourage the innovation and the creativity and the invention. This is penny wise and pound foolish.

Do not hobble this agency. This is one of the most useful productive agencies in Government. And by allowing it to retain an additional $133 million in fee income, this at least allows the PTO to tread water, if not to make progress.

So I strongly suggest the priority which suggests it is useful to cut funds from the Patent and Trademark Office is wrong, that we need to fully fund its operations. I support the Coble amendment.

Mr. ROGERS. Mr. Chairman, will the gentleman yield?

Mr. HYDE. I yield to the gentleman from Kentucky.

Mr. ROGERS. Mr. Chairman, I want to state to the gentleman that, since 1994, we have increased the funding for this office by $250 million, $250 million over the last 5 years we have increased them.

In this current bill, we are increasing them by $34 million. Now that is not exorbitant, but we think that the PTO has to live within the same constraints that all the other agencies of the Government must live within. They are not exempt from the regular laws of discipline that the rest of the agencies of the Government must live by.

I appreciate the fact that they are generating huge amounts of money in the fees they collect, but these are Government-authorized fees.

Mr. HYDE. Mr. Chairman, reclaiming my time, because I suspect I am running out of it, I just would say to the gentleman that, since 1992, the workload has increased 75 percent. And this is not an expenditure, it is an investment. Patents and trademarks help our economy. They forward our economy. They encourage the development.

So this is an investment, not a subtraction, and the workload requires that we keep pace. I yield back the balance of my time.

Mr. FRANK of Massachusetts. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I urge adoption of the amendment offered by the gentleman from North Carolina (Mr. COBLE). The Patent Office is a little different than some other agencies in that what we are talking about here are fees that are generated by the Patent Office and we are talking about not diverting fees generated by the Patent Office.

Now, that is not an imputable principle. There are times when fees that are generated ought to be spent elsewhere. But I think it is inappropriate to suggest that the Patent Office is showing a lack of discipline when they seek simply to expend the funds that are generated as a direct result of their own efforts.

This House and the Congress as a whole increased patent fees recently. We did it as part of an overhaul of patent legislation, and one part of that was a promise that the fee increases would go for the Patent Office.

In terms of the economy, getting patents done quickly is essential. There is no good reason for delay in any Government agency, but delays in the granting of patents have a particular negative impact by the nature of the case. Uncertainty as to what is or is not patentable is not just a bad thing for individuals, it has negative effects on the whole economy.

Now, I join, I think, virtually everyone here, including the author of this bill, in not liking these offsets. I know, because I have been working with the gentleman from North Carolina (Mr. COBLE) on this, that he has tried very hard to deal with this offset issue. But I am going to vote for this amendment confident that the offsets will themselves be offset.

We have borrowed a concept from the British parliament. They have a shadow cabinet, the people who would take over the Government if the parties change hands. We have a shadow budget. Thanks to the majority, we adopt a budget early in the year in the House that no one thinks is going to be paid serious attention to.

We are going through an exercise now. We have to vote this thing out so we can get into a House-Senate conference and a negotiation with the President so the real budget will be adopted.

Now, if this were the real budget, I would not want to see these offsets. But, in the shadow budget, it does not bother me because the sun will come out when we go into the conference and these shadows will go away. But they will go away, I hope, with this House having sent a strong statement that the Patent Office should be fully funded.

That is what we are talking about here. This is not a vote, in my judgment, on the Fullbright program or other worthy programs or economic statistics. Actually, we probably ought to give more to economic statistics so the people who make these foolish budgets will be better informed and would not come up with a budget that is so inadequate. But that is not something we can address here.

What we are addressing here, I think, is a vote on whether or not the House believes that fees generated by the Patent Office's activity, fees that are necessary to keep a cutting-edge office for technology at its best level, fees that are necessary to avoid delays in this critical question of what is and is not patentable.

We have all these problems about, well, does the patent take effect right away. People should go back to the debate and remember how much controversy was generated in this House because of delays in the Patent Office. And we said at the time, if we could eliminate delays in the processing of patents, we would do away with most of the controversies that roiled this House and roiled the Senate for years. So we have a chance to do that with a relatively small amount of money in the overall budget and its revenues generated by the Patent Office.

□ 1200

So I hope that we adopt the amendment. I hope when the real budget process starts, we will restore the offsets that this amendment is forced to make by an unrealistic budget and we will both in real terms and in a very important symbolic way signify to the inventors of the United States, the most creative part of the intellectual community, that we are fully supportive of their efforts.

I thank the gentleman from North Carolina for offering the amendment.

Mr. GOODLATTE. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I want to thank the gentleman from North Carolina for offering this amendment, and I urge my colleagues to support it. This is really about the future of our economy. The dramatic increase that is being experienced in the growth of the number of patent applications and trademark applications is because of the Internet and the new information technology economy. As chairman of the Congressional Internet Caucus and as a member of the Subcommittee on Courts and Intellectual Property, I can tell my colleagues that the workload of anybody who works in this area is increasing dramatically and that is certainly true of the Patent and Trademark Office. It is vitally important that we allow them to keep these funds.

Yes, it is absolutely true that they are generating a great deal of funds. The reason why they are is because they are generating a dramatic increase in the number of applications. They need to turn that money around, beef up their ability to handle this, because this is the engine that is driving our economy. Unlike any past dramatic growth in the history of our country, the Internet is the largest collection of patents and trademarks and copyrights ever in the history of the world. That is really what this is about, the dramatic growth in our economy.

If we do not continue to fuel this by making sure that these applications are processed in a timely fashion and processed in a careful fashion to make sure that patents that should be issued are issued, patents that should not be issued are not issued, they have got to have the necessary resources to do this.

I urge my colleagues to support this amendment to adequately fund the Patent and Trademark Office. I commend the gentleman from North Carolina for his leadership on this issue.

Mr. SERRANO. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I would like to join the gentleman from Kentucky (Mr. ROGERS) in strong opposition to this amendment.

First of all, I agree with those who have gotten up to say that we need more money in the Patent Office. We on this side have been saying that for 2 days now, that the problem with this bill is it does not have enough money to cover a lot of areas. But this amendment opens up a discussion which we thought we had put to bed last year and that is a discussion of the census and the Census Bureau. Taking money out of here will begin to cripple the followup work and the ongoing work that the Census Bureau has to do in order to follow up everything that we funded them to do last year.

And so last year and for a couple of years, we had a bitter debate on the funding for the census; and when it was all over, I believe that we had in a bipartisan fashion done the right thing. But now that we have to look at a lot of information that is provided to us on a weekly and monthly and yearly basis, we go after the Census Bureau again with a deep cut.

The Census Bureau has told us that if they were to take any further cuts, and especially this kind of cut, employment and unemployment data, information on infant and child well-being, health insurance coverage measurements and many other of these kinds of statistics would be in danger.

I would hope that as we look at this amendment today that we commit ourselves perhaps in the future to finding another way to finding dollars for this agency and not to take it out of the Census Bureau. If we do that, we are going to reopen that discussion again; we are going to open the door for those who think that somehow Americans should not be counted every 10 years, and we are just going to cripple this agency once again.

Please keep in mind that while we gave so much energy last year to the fact that we were having this once-every-10-year count, most of the work that the Census Bureau does, it does during that period. Now by taking this cut, they would jeopardize and we would jeopardize their ability to continue this work.

Mr. Chairman, I join the gentleman from Kentucky in asking for strong opposition to this amendment and its defeat.

Mr. MILLER of Florida. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise in strong opposition to this amendment. Unfortunately, we have two tough choices here because there are two very important functions of the Government that are being debated; and we should not put them opposite each other, but that is what this amendment does.

There is no question about the need for the Patent and Trademark Office needing probably more funding. There is no question about the need of its importance in our economy. But we also have to be supportive of the census. We are talking about the economy. Alan Greenspan is given a lot of credit for presiding over our economy. How does he make his decisions? He makes his decisions about economic statistics generated by the Bureau of the Census. If this amendment were to pass, it would devastate the Census Bureau's ability to do things like the Consumer Price Index and the other economic statistics that are cranked out constantly by the Bureau of the Census.

The Census Bureau has already taken a $51 million cut from the President's mark already. We need to do what we can to push it back up to the President's mark. But it is a tough choice we have to make between an important function, patent and trademark, but the equally important function of the Bureau of the Census. We are talking about cutting 500 jobs, but it is more than the jobs. It is what helps businesses make decisions. It is what helps, whether it is the high-tech industry or the reliable statistics flowing out constantly from the Bureau of Labor Statistics.

It does not take a lot out of the decennial census, but what it does is take out the planning for the 2010 census and especially the idea of getting rid of the long form. There was a lot of controversy earlier this year to get rid of the long form. We really want to move in that direction. What we want to move toward is something called the American Community Survey, which is something that is done on an annual basis. We just started doing that in the past couple of years, gearing up to do away with, so we will not have that long form in 2010. The idea is on a monthly basis we will collect this type of information. This would destroy that. If we are sincere about getting rid of that long form, we cannot go out and slash away at the Census Bureau.

There are many other important parts to it that would be actually devastated in this. This size cut, over 20 percent, just cannot be handled. I understand the need for the Patent and Trademark Office, but we should not do this. This amendment should be defeated at this stage. We should work with the chairman, with the full committee; and if more money becomes available, both areas should be increased.

Do not try to force one against the other. Let us accept the chairman's mark and move forward.

Mr. SAWYER. Mr. Chairman, I move to strike the requisite number of words.

(Mr. SAWYER asked and was given permission to revise and extend his remarks.)

Mr. SAWYER. Mr. Chairman, I am as frustrated as virtually every speaker who has stood up on this floor today, as frustrated as my colleague from North Carolina with the dilemma he faces in his amendment. I strongly support what he is trying to do, and I am opposed to how he has chosen to do it. The PTO is a critical link in the infusion of new ideas and products into our economic system. Even with the increase in fees, it is the best bargain in the industrialized world. The PTO protects intellectual property inherent in America's economic growth. Without that protection, the incentives for R&D would wither. The companies that support this amendment understand that. They also understand that the delay in processing patent applications has real cost to them, dollars that could otherwise be put back into research and development and productive capacity.

At the same time in these very same companies, management analysts are tracking the economy and making decisions daily about how best to position their company and their assets, including their intellectual property, in the rapidly changing economy of the 21st century. Those analysts and managers look to the Census Bureau, the Bureau of Economic Analysis, the Bureau of Labor Statistics for the measures that tell them how the microclimates in the economy are changing and how those changes will affect their company. Without the ability to map the economy and respond to the currents therein, public and private decision-making in every kind of business and at every level of government will decay, wither and atrophy.

It is a terrible irony that this amendment in the name of improving protection of intellectual property would squander our investment in intellectual capital and infrastructure. The cuts this amendment makes to the Census Bureau and the Bureau of Economic Analysis would dramatically affect the position of fundamental economic measures like the Gross Domestic Product, the Producer Price Index, the Consumer Price Index, as well as measures of productivity and capacity utilization. Undermining the precision of these indicators will inevitably undermine the vitality of the American economy.

It is with great reluctance that I oppose this amendment. I strongly believe that our protection of intellectual property is one of those factors that draws some of the best minds in the world to American companies and to the U.S. patent system in general to protect their intellectual property. I also know that the solution this

amendment offers is as bad as the ill it sets out to cure. I question whether we have carefully explored the consequences of the proposed offsets or the equally important underlying concern about the proper expenditure of revenues raised through user fees in the PTO. Those who have raised that point do so with precision and with an emphasis on an important consequence of what we are doing here today. Both are important.

I hope that we all can find a way to work together with the gentleman from North Carolina to solve the problems facing the Patent and Trademark Office. Together, we have got to be able to find a better solution than this one.

Mrs. MEEK of Florida. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise in strong opposition to the gentleman from North Carolina's amendment. I have no issue with increased funding for the Patent and Trademark Office. I am sure that they require the funds that have been given to them through a process and that process was through the gentleman from Kentucky's committee. They looked at this for quite some time, and they have come up with what they think was reasonable within the constraints of our budget. I applaud them for that.

But I take strong issue with this amendment because it takes $40 million in offsetting funds in a cut from the Census Bureau. I must say to my colleagues that that is not a good offset, because this is the Census Bureau's everyday work that they are cutting here, their year-in and year-out work that gets done within the shadows of the decennial census that is made every 10 years. Every day we use data from these programs. There is not a day that passes that each of us does not use it. We get information from all other agencies and resources. And what is the source of it? The Census Bureau. Every day we use the Census Bureau's data to help us make decisions. These data are very important to us making decisions on every level of government, poverty, children's health care, home health care, and trade.

Someone has said the cuts may be restored later and given back to the Census Bureau. Do not bet on it. What assurances do we have that the census will be able to operate as it should?

The House mark is already $41 million below the administration's request. And we want to cut them again? This alone would devastate the Nation's economic and demographic statistical infrastructure, eliminating all new measurement initiatives including any means of measuring e-business, improvement of export coverage, and an annual survey of minority-owned businesses. Look at all the work this body has done this year to enhance e-business. Now we are eliminating the possibility of measuring the results of this work.

If the gentleman's amendment passes, it amounts to an additional 29 percent cut. This cut will hinder the Bureau's ability to measure the Gross Domestic Product, the Index of Industrial Production, the Consumer Price Index, the Producer Price Index, employment and unemployment, health insurance coverage, employment of the disabled and child care.

Allow me to put a human face on this issue. Passage of this amendment will lead 500 Census Bureau employees into the unemployment line.

Mr. Chairman, I really do not think we completely comprehend the damage we would do to our Nation if we pass the Coble amendment. It is not an insignificant amendment. It is a very significant amendment. Therefore, it should stop right here on the floor of the Congress. In this day and age, $40 million may not seem like a huge cut, but to the professionals at the Census Bureau who provide the measurement of our Nation's statistical information, this cut is devastating.

□ 1215

Mr. Chairman, I urge my colleagues to stop this devastating amendment and defeat the Coble amendment.

DAMAGE DONE BY THE COBLE CUTS TO CENSUS

The Coble Cuts from the Census Bureau $40 million (29%) and $10 million (20%) from the Bureau of Economic Analysis (BEA).

The Coble Cuts to the Census Bureau are from the ''Other Periodic Programs'' account which funds all Census Bureau activity other than the 2000 census.

The Coble Cuts to the Census Bureau would reduce the quality of: Employment and Unemployment data; Information on infant and child well-being; Health Insurance coverage measurement; Employment of the disabled measurement; Our ability to track the well-being of those aged 85 and above; and Measures of participation in welfare to work programs.

The Coble Cuts will damage key economic indicators like the: Gross Domestic Product (GDP) used to track economic growth and adjust interest rates; Index of Industrial Production; Consumer Price Index used to index wages and retirement payments like Social Security; Producer Price Index; Monthly trade statistics; Quarterly state personal income estimates used to allocate $100 billion in federal funds; and Data on foreign direct investment as well as foreign-owned companies.

The Coble Cuts will: Force BEA to layoff ⅓ of its work force; Force the Census Bureau to let 500 analysts go; and End the measurement of e-commerce as it rapidly becomes an increasingly important part of the economy.

The Coble Cuts will directly affect the ability of many to do their jobs including: Federal Reserve Board; Council of Economic Advisors; Congressional Budget Office; Congressional Research Service; Joint Economic Committee; Economic planners for businesses and industry; Financial planners in state and local governments; and Trade associations and businesses interested in promoting international trade.

The Coble Cuts will directly impair the efficiency and stability of U.S. capital markets, private investment decisions, and U.S. federal and state budgetary and financial policies. One of the reasons the U.S. economy has been performing so well is the availability of timely and comprehensive economic statistics. Chairman Greenspan, and his colleagues at the Federal Reserve, watch these measures closely as they decide whether or not to adjust interest rates.

COBLE CRIPPLES CENSUS

Representative COBLE is offering an amendment to the Commerce, Justice, State Appropriations bill (H.R. 4690) which would cut funding for the Census Bureau's Periodic Programs account by $40 million—a cut of almost 30 percent. This is not a cut from the 2000 census budget, but rather a cut from the funds used to measure employment and unemployment; child welfare; hospitals and care providers; and the basic inputs to the Consumer Price Index. The Census Bureau is prohibited by law from transferring funds from any other account to cover these cuts.

The Coble amendment will also cut $10 million, a 20 percent cut, from the funds for the Economic Statistics Administration in the Department of Commerce. Most of the ESA funds go to the Bureau of Economic Analysis (BEA) which calculates the key indicators like Gross Domestic Product (GDP) and measures of inflation used to track economic performance. These indicators are used by the Federal Reserve Board to determine interest rates, and by the Treasury to adjust the money supply.

Massive cuts to these two statistical agencies will affect the quality of information on the economy and social welfare for years to come. Such cuts would make it impossible for the Census Bureau and BEA to continue their groundbreaking work in measuring the impact of e-commerce on our economy. These cuts are likely to result in massive layoffs of trained professionals—statistical agencies spend most of their money on salaries. It will take years to replace that workforce even if the funds were replaced next year.

The goal of the Coble amendment is to return user fees to the Patent and Trademark Office (PTO) that have been reallocated to other programs, but not necessarily to the census accounts. Rep. Coble wants PTO to use these fees to increase the speed of processing applications. While that is an admirable goal, it cannot come at the expense of our basic ability to measure economic performance.

Mr. GILMAN. Mr. Chairman, I move to strike the requisite number of words, and I rise in strong opposition to this amendment which will take $98 million, close to 50 percent of the funds, from the cultural international exchange programs. Exchange programs are among the most effective and cost-effective means we have of promoting freedom and democracy throughout the world. This is one of the most constructive programs at the State Department in terms of advancing our Nation's foreign policy.

Whereas my colleagues have set forth good reasons for supporting the Patent and Trade Office, but the gutting of the international exchange program, cutting some $98 million from a $213 million account, is not a reasonable offset.

There is strong bipartisan support for international exchanges, and this Congress has consistently supported that important activity.

Cutting this substantial amount from the international exchange program means that the highly respected Fullbright Scholarship program and other noteworthy exchanges which advance learning as well as our relations between our country and many others are going to be dramatically slashed.

Please bear in mind, my colleagues, that the amount appropriated for international exchanges in this bill is already $28 million less than what was appropriated in 1994, and that is before inflation and real dollars. International exchanges have already been cut by some 30 percent. Accordingly, Mr. Chairman, I urge a no vote on the Coble amendment.

Mrs. MALONEY of New York. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise in opposition to the amendment being offered by the gentleman from the State of North Carolina (Mr. COBLE). While I am sympathetic to the interests of the gentleman in the efficiency of the Patent and Trade Office, I must urge my colleagues to oppose it and to join the gentleman from Kentucky (Chairman ROGERS); the ranking member, the gentleman from New York (Mr. SERRANO); the gentleman from Florida (Chairman MILLER) of the Subcommittee on Census on which I serve as the ranking Democrat in opposing this measure.

The gentleman from North Carolina (Mr. COBLE) wants funds for the Patent and Trademark Office to increase the speed of processing applications. While that is an admirable goal, it cannot come at the expense of our basic ability to measure economic performance.

To accomplish this goal, this amendment would cut funding for the Census Bureau's Periodic Programs account by $40 million, a cut of almost 30 percent. This is not a cut from the 2000 census budget, but rather a cut from the funds used to measure employment and unemployment, child welfare, hospitals and care providers, and the basic inputs to the Consumer Price Index.

The Coble amendment will also cut $10 million, a 20 percent cut, from the funds for the Economic Statistics Administration and the Department of Commerce. Most of the ESA funds go to the Bureau of Economic Analysis, which calculates the key indicators like Gross Domestic Product and measures of inflation used to track economic performance.

These economic indicators are used by the Federal Reserve Board to determine interest rates and by the Treasury to adjust the money supply. Many of my colleagues, the gentleman from Virginia (Mr. MORAN) and others talked about the need to fund the patent office, because we are part of the global economy, but we need our economic indicators to help us be the leaders in this global economy, and if we do not have them, we will soon fall sharply behind.

Massive cuts to these two statistical agencies will effect the quality of information in our economy and social welfare for years to come. Such cuts would make it impossible for the Census Bureau and BEA to continue their groundbreaking work in measuring the impact of E-commerce on our economy. These cuts are likely to result in massive layoffs of trained professionals.

Earlier the gentleman from Illinois (Mr. HYDE) mentioned that there was a freeze at the Patent Office in hiring, but if these cuts go through, the professionals that we have literally been training for years would be laid off. Statistical agencies spend most of their money on salaries and in developing personnel. It will take years to replace that work force, even if the funds were replaced next year.

The Coble amendment will make deep cuts in two of the three agencies that make up the backbone of the country's ability to track and respond to changing economic conditions. The cuts in these two agencies will have effects that ripple throughout the system. It may well be important to speed up the processing of patent and trademark applications; however, if in the process of doing so, we contribute to diminishing our unprecedented economic expansion, these businesses that are supporting it will have cut off their nose in spite of their face.

As a member of the Joint Economic Committee, I recognize the importance of our key economic indicators, the chairman and members of the Federal Reserve Board regularly monitor measures such as the Gross Domestic Product, the Producer Price Index, the Consumer Price Index, measures of wage changes and productivity. Many have credited Chairman Greenspan's leadership in monitoring and responding to changes in these measures with the continued growth of our economy.

The Coble amendment has crippling cuts to the Census Bureau, and BEA appropriations will seriously degrade the quality of these indicators. These cuts will create effects that will last well into the next decade.

I urge all of my colleagues to join the gentleman from Kentucky (Chairman ROGERS) and the gentleman from New York (Mr. SERRANO), the ranking member, and the gentleman from Florida (Chairman MILLER) in voting no. There may be a need to increase our investment in the processing of patent and trademark applications, but this is not the way to do it. We must not sacrifice our ability to monitor our economy and our society for such short-term gains.

Mr. SMITH of New Jersey. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, while I have great sympathy and even supported the desire to boost the funding level for the patent office, it is the offset, the slashing of the U.S. public diplomacy programs and educational programs that leads me to oppose the Coble amendment.

By cutting educational exchange programs in half, we severely undermine the training and the education of the next generation of leaders in developing countries throughout the world.

Let me remind the Members through legislation such as the Foreign Relations Authorization Act, H.R. 3427, which I offered last year along with the gentleman from Connecticut (Mr. GEJDENSON) and the gentleman from New York (Mr. GILMAN), which became law in last November, Congress strengthened the connection between our international exchanges and the promotion of human rights and democracy around the world.

Many of our exchange programs are aimed at Nations that are burdened with impressive governments like China, Vietnam and Cambodia, whose people need continuing contact with the American government, its institutions, its educational venues and the like.

It seems to me that public diplomacy gives us the ability and then especially the ability to catch the good infection about what democracy, about what capitalism is about.

Congress, Mr. Chairman, has specifically provided scholarships for East Timorese students and for Tibetan and Burmese students who are in exile from their countries, as well as the exchange programs between the people of the U.S. and the people of Tibet.

Exchange programs, Mr. Chairman, promote international development by bringing students from those developing nations to study in America, they learn so much, they bring it back, and hopefully we get a safer and a more sane world, especially over time.

It is a great investment. It is a modest amount of money and the offset, again, notwithstanding the importance of funding adequately the patent office, this is the wrong offset. I strongly urge a no vote on the Coble amendment.

Mr. HOYER. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, the public must be confused in listening to this debate. No one has stood on this floor, no one, to say that we should not spend the money that the committee has included in the bill for the object in the Census Bureau, nobody. Everybody agrees that we are underfunding the Patent Office, including me, in this bill.

This bill is $2.7 billion under what the committee almost to a person determines are the needs of this bill. Committee does not have that money, and they had to make hard choices. My friend and colleague, the gentleman from Virginia (Mr. MORAN), spoke passionately for this amendment, because the objective of this amendment is to ensure that the Patent Office has sufficient funds.

I agree with that objective, but I most emphatically do not agree that the solution to solving that problem is to take money from someplace where everybody also agrees the money is

needed. My colleague, the gentleman from Massachusetts (Mr. FRANK), in his inimitable fashion said this is a shadow debate about a shadow budget. What did he mean? This is not real.

It is not real, because we know in the final analysis there is going to be more money in this bill. There is not an honest person who is a Member of this House that does not know this bill is going to be higher when we adopt finally the conference report than it is today; therefore, I urge my colleagues to oppose the Coble amendment, not because I oppose the objectives of the Coble amendment, because I believe that those in this floor who support both the census funding, and I might say there is too little census funding in this bill, we ought not to take more of it and decimate the objects that the gentlewoman from New York (Mrs. MALONEY) has articulated, who has done such an incredible job on the census issues, and the gentleman from Ohio (Mr. SAWYER) who spoke earlier.

The solution is not to take money from census, the solution is to get money to the Patent and Trade Office. The gentleman from Virginia (Mr. MORAN) mentioned the arcane scoring process, where actually PTO makes money. They charge fees. They have the dollars available to them, but because we have lowered the cap, in effect, our 302(b)s, it cannot be spent. The gentleman from Kentucky (Mr. ROGERS) and the gentleman from New York (Mr. SERRANO) had to make hard choices, their hard choice was we ought not to underfund census.

We are going to look to do better for PTO as this proceeds through the process. I, therefore, come down on the side of allowing this bill to move forward, and I will tell my friends who, like me, support those in the high-tech industry, in particular, who are critically concerned about these PTOs that they are going to be lobbying heavier than those who are concerned about the census. Therefore, I am convinced that if the tactic, if you tackle that, the tactics should be let census remain as it is in the bill, confident that those who are concerned about the Patent and Trade Office, as I am, as the gentlewoman from California (Ms. LOFGREN), as the gentlewoman from California (Ms. ESHOO), who are here in front of me, we can be confident that that will be made whole in conference before it gets to the President.

I think we have more confidence in that alternative than we can be and that the census will be made whole. I urge my colleagues in conclusion to leave the bill as the committee has reported it. It is not sufficient. It is not sufficient, but we are more likely to make PTO sufficient in conference than we are census.

Both are critically necessary as every speaker has articulated on both sides of this issue. In sum, this is a tactical determination, not a substantive one, because no one disagrees with either substantive proposal. But to rob from Peter to pay Paul, when Peter perhaps will be less attended to than Paul does not make good tactical sense.

Mr. Chairman, I urge my colleagues to oppose this amendment and support additional funding for PTO.

Mr. SMITH of Michigan. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, this House should not go on record as taking these kinds of funds out of these other important programs, and I would relate to just one, the BEA, the Bureau of Economic Analysis in the Department of Commerce.

This amendment would reduce its funds by almost 20 percent. Chairman Alan Greenspan rarely goes on public record of suggesting increased funding for any agency. In the BEA, as he has suggested, for the importance of that statistical calculation, we need more money in that agency. Already we have shortchanged, we have reduced the funding for that agency in the last few years by a real 12 percent.

This amendment would take an additional 20 percent out of their funds, that is the basis of over a $100 billion in revenue sharing. It is the basis of the projections of OMB and CBO. We should not go on record of this kind of drastic reduction in these kinds of agencies.

□ 1230

Ms. ROYBAL-ALLARD. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise this afternoon in support of the Coble amendment to restore what I think are the badly needed funds, in fact, the direct fees that are paid to the U.S. Patent and Trademark Office. This is really a fascinating debate that we are having here today in the House.

I think this is a most interesting and instructive debate that is taking place here today, and I think that every Member that has risen on the floor, whether they are in support of the amendment or rise in opposition, have made very, very important points. I guess the most important one is that this budget is not funded the way it should be.

What I want to point out are the very important things that the Patent Office does and what it means to our Nation and our Nation's economy. The Patent Office is 100 percent supported by the user fees that are paid by patent and trademark applicants and owners. Since 1992, the Congress has been withholding an increasing portion of these fees for use in other CJS agencies.

In fiscal year 2000 alone, $116 million in PTO user fees were given to other CJS agencies. So it is not as if people are not coming to the Patent Office. They are, in increasing numbers, and they are paying the fees; but the fees are being siphoned off for other parts of the budget.

I do not think this is right. The user fees are meant to pay for the work of the agency to which they are very directly paid.

Mr. ROGERS. Mr. Chairman, will the gentlewoman yield?

Ms. ROYBAL-ALLARD. I yield to the gentleman from Kentucky.

Mr. ROGERS. Mr. Chairman, let me correct the gentlewoman's misunderstanding of that point. The fees that are generated by the Patent Office are not used for any other agency or any other purpose. They remain in that account to be used in succeeding years. We are not siphoning off the Patent Office fees for other expenditures.

Ms. ROYBAL-ALLARD. I would ask, are 100 percent of the user fees that are paid by applicants to the PTO remaining for use in the Patent Office?

Mr. ROGERS. If the gentlewoman would continue to yield, those fees remain in the Patent Office account for use in succeeding years. They are not siphoned off to any other purpose.

Ms. ROYBAL-ALLARD. One hundred percent of fees that are paid by applicants are retained in the Patent Office; is that correct?

Mr. ROGERS. That is correct.

Ms. ROYBAL-ALLARD. So why is there a deficit? Why is there a decreasing amount of money for the Patent Office, and why are we having this debate then?

Mr. ROGERS. As I pointed out earlier, we actually increased the Patent Office expenditures in the bill by $33 million this year. Over the last 4 years we have increased them by $250 million. So they are not starving.

Ms. ROYBAL-ALLARD. Mr. Chairman, reclaiming my time, let me go on to talk about the importance of the office. There is a shortfall of funding for the work that needs to be done, and that is a very real part of this debate.

Increasing patent approval times, if in fact that approval time is threatened, that in and of itself can and will have a crippling effect on what we call the new economy. You cannot leave out of this debate what this new economy is producing for our Nation. The high technology and biotechnology sectors of our economy depend on prompt and high-quality patents and trademarks to protect their investments in research and development and new product production. Venture capital funding for start-up companies depend on timely patent protection and can dry up because patent times continue to soar. The result will be a bureaucratic bottleneck that chokes off the development of new breakthroughs of all kinds of things that every single Member of Congress hails and supports.

While for some this may be a little known office, the PTO is the backbone of the new economy. Many Members have talked about other agencies, Commerce, what Chairman Greenspan relies upon statistically. I would like to suggest that those statistics will not be available for use if in fact these patents cannot be approved.

We have to look at what is fueling and what is the backbone of this new

economy. I know that the Coble amendment restores $134 million in user fees.

Finally, we need to broaden this debate and understand that this feeds intellectual property. This new economy is all about new ideas. It is about America's intellectual property; it is about ideas. They need to be funded, and we should not abort the investment that the ideas represent.

Mr. EHLERS. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise to speak in favor of the Coble amendment. The economic growth that we are experiencing today, the economic growth that provides the budget surpluses that we are enjoying, arises from work done in research, development and invention; and it is absolutely essential that we continue that process of research, development and invention, and that we get the patents issued promptly so that we can continue this economic boom, this economic growth which we enjoy.

I remember not too many years ago when there were long delays in the Patent Office, and this body raised the fees of the Patent Office so that we could process the inventions more rapidly. But now once again inventors and manufacturers are beginning to experience delays in the processing of their patents.

I have two letters here indicating that patents are being held up because there are insufficient personnel and facilities to process these patents. That, again, has a debillitating effect on the advancement of our economy.

Mr. Chairman, my conclusion is we must increase the funding. We must fund them the Patent and Trademark Office adequately, so that we do not have delays in processing.

In response to the chairman's comment a moment ago, I would like to ask the gentleman from Kentucky (Mr. ROGERS), is it not true that the amount of money being expended for this purpose is counted towards the cap, the allocation that is fixed in your budget? In other words, if more money were designated for the Patent and Trademark Office and everything else remained constant, you would exceed your allocation. Is that correct?

Mr. ROGERS. Mr. Chairman, will the gentleman yield?

Mr. EHLERS. I yield to the gentleman from Kentucky.

Mr. ROGERS. That is correct.

Mr. EHLERS. Mr. Chairman, in response to that, let me just say I think the problem is not the unwillingness of the committee to increase funding. I suspect if the allocation were increased, they would do so.

As the gentleman from Maryland (Mr. HOYER) has pointed out eloquently, the allocation for this particular subcommittee is simply too low. I recognize that the subcommittee has struggled with this issue, that they have done the best they can within their allocation, and I respect that. At the same time, I encourage this body to vote for this amendment to indicate that our priority is to make certain that these patents are processed in due time, and that they are handled rapidly enough to help the economy continue to grow.

I do this with the recognition that this will hurt other segments of the budget that also need funding; but I am confident that, as the process goes on, the Senate and the House will recognize the importance of both of these areas and that the funding will be increased to accommodate the needs in both areas.

Mr. Chairman, we are not robbing Peter to pay Paul, as the gentleman from Maryland said earlier. We are in a sense robbing Peter to pay Paul in that we are taking the money out of the fees paid to the PTO and saving them for later use simply because using them now would cause the subcommittee allocation to be exceeded.

Mr. Chairman, I urge adoption of the Coble amendment so that we can in fact continue the rapid processing of the patents in the Patent Office.

Mr. ROGERS. If the gentleman will yield further, let me make this point: the argument is that we are squeezing this agency so that they are not able to process new patent applications rapidly enough.

I would point out that 40 percent of their fee collections comes from maintenance of existing patents. And there is no significant workload associated with that, 40 percent of their fee generation. They requested $130 million in the budget. Only $22 million of that is for patent examiners, where they say the shortage is. The other increases they are asking for are really a lot of bells and whistles.

I have to point out, they are preparing to build an enormous marble building down the river to consolidate all of their offices in one place. I do not know of an agency of the Government that is going to have a finer place to work, and that is fine. But I am just saying that the money they requested for patent examiners, where they say the problem is, is only $22 million. They ask for $130 million. Where is the other $108 million going?

Mr. EHLERS. Mr. Chairman, reclaiming my time, I appreciate the point the gentleman made, and I respect the ability of the committee to examine those issues. However, based on the information I am being given by the inventors and the researchers in the field, the additional funding for the Patent and Trademark Office is needed in order to process the new patents rapidly enough.

Mr. MENENDEZ. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, the Patent and Trademark Office is important and worthy of support, but not by cutting the Census. The goal is worthy, but the method is not.

Now, there is no question that Democrats and Republicans have had some very fundamental differences over the decennial census; but today many of us, on both sides of the aisle, are joining together saying that there can be no further cuts to the Census. I believe we must ensure the most accurate census possible, and I have fought very hard to make that a reality in the 2000 census. Others, on the other hand, have fought an accurate census every step of the way.

Minorities, particularly Hispanics, have been disproportionately undercounted in the past, and I do not think this government should allow that to continue. Everyone deserves to be counted, every community deserves adequate and fair resources for its residents, and every American resident deserves full and fair representation.

We have come a long way toward meeting these goals, and we are working hard to achieve the most accurate decennial census in recent history, despite strong opposition from various quarters at every step in the process. Today is apparently no different. We again face an unreasonable assault on the Census Bureau, which is the source of more, much more than just the decennial census figures. After all, the money we have invested in trying to reach one of the most accurate censuses ever, this amendment would completely undermine the ability of the Census Bureau to translate that data into statistics that all segments of this country, including America's major corporations, count on for planning and decision-making.

The Census Bureau provides invaluable economic and demographic data covering employment, health insurance, and business activity. These figures have a broad range of users, in both the public and private sectors, and help decision-makers to most effectively and efficiently target our limited resources.

Let us be clear about what is at stake here: despite the worthiness of the goal, voting for this amendment would jeopardize funding for health coverage data and employment data, both, for example, which disproportionately impact Hispanics and other minorities.

Likewise, this amendment would jeopardize funding for the survey of minority-owned and women-owned businesses. This amendment ignores the needs of women, Hispanic and other minorities, and a vote against the amendment continues our fight for equal opportunity for all, whether it is fighting for health coverage for the working poor, creating new jobs for those who have been left behind in today's economic boom, or assisting those business owners who are struggling to compete in this high-tech economy.

We cannot do that without the census data that is extrapolated by the experts; and having spent all of these resources to accomplish that information, it would be amazing not to give

them the resources to be able to do the extrapolation, the statistical analysis that are incredibly important to billions of dollars of investment by the private sector, as well as by the public sector.

This amendment would have a chilling effect on the Bureau's ability to continue to provide these invaluable resources to government agencies, to business analysts, to researchers and associations that promote trade and State and local growth.

So it is much bigger than the 2000 decennial census; it is much bigger than the Census Bureau itself. This amendment takes away tools from the businesses, the very businesses that in one respect it is trying to help. This amendment takes away tools from businesses, businesses owned by all stripes of Americans, businesses owned by women, businesses owned by minorities who may be struggling to compete with domestic and foreign companies.

□ 1245

It takes away tools from the trade associations who are trying to promote trade and improve our Nation's trade deficit. Finally, it takes away tools from the policymakers who are trying to address the present needs in our communities, needs that too many in this House are willing to ignore.

Mr. Chairman, this is an amendment, despite the worthiness of its goal, that we cannot afford, and I urge Members to oppose the Coble amendment.

Mr. OBEY. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, this debate demonstrates just how dumb this bill is. We have the people who are offering the amendment, justifiably pointing out that the Patent Office ought to be fully funded because that office is key to innovation, it is key to economic progress, it is key to jobs, it is key to modernizing our economy. But because the majority party has decided that it is more important to give the 400 richest Americans $200 billion in tax cuts over the next 10 years, and because the majority party has decided that in the minimum wage bill, for God's sake, that gives only $11 billion worth of benefits to workers, they are going to give $90 billion in tax relief to people who make $300,000 a year or more; because of those stupid decisions, what they are doing is forcing us to choose which half of the economy we are going to cripple.

So we have to choose between crippling the Patent Office, because this bill steals money from the fees in order to fund other programs; so we have to choose between doing that or gutting our ability to understand what is happening in this economy by gutting the statistical capability of the United States Government to know what is really happening on unemployment, to know what is really happening on trade, to know what is really happening with respect to price changes.

Every politician from the Midwest and the Northeast on this floor is practically killing each other trying to get to the nearest microphone to crawl all over the floor about what is happening to gas prices. Then, what do they do in this amendment? They are gutting the ability of the Government to figure out what is happening, not just on gas prices, but on virtually all other price changes. This Congress passes out hundreds of billions of dollars to localities, to businesses, and to everybody else on the basis of economic statistics that are, at best, half-baked.

So this Congress is being asked to continue that idiocy because this bill is at least $1 billion short of meeting its responsibilities. So we are having to decide which good, important, crucial government activity we are going to fund, and which one we are not.

Everybody on this floor says, oh, I am for a smaller government; and then the first time we have a problem with gas prices, they say, why does not the Government do something to control those gas prices? Why do they not stop the gouging? The first time my colleagues do not like what is happening in the crime area, you say, why does not the Government do this? So my colleagues deny the Government the resources they need, and then they cry all over the floor when they cannot do the job that they are supposed to be doing.

Mr. Chairman, this House reeks of idiocy and hypocrisy on these issues. We have a chance, because we are in an era of surpluses rather than deficits, we have a chance, if we do things right, to strengthen what needs to be strengthened in our economy, to continue this economic recovery for years to come, and at the same time, to bring along the folks in this society who are not in the top 2 percent, who have not had the big increase in income that others have had. Some of the folks are being left far behind on health care, on education, on everything else; and yet we are gutting science at the National Science Foundation. We are having this amendment which, however it comes out, we are going to cripple half the Government. What a dumb debate on what a dumb bill.

Mr. ROGERS. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, in the interest of time, and we are running out of time because of the earlier commitment to be out of here on this bill at a certain hour, I wonder how many speakers are on the floor who wish yet to be heard on the amendment. There are four that I count. I wonder if we could get unanimous consent that all debate on this amendment could end at 5 after 1:00, which would allow some 15 minutes, and to be divided equally between the parties.

Mr. SERRANO. Mr. Chairman, I would have to object to that at this point.

The CHAIRMAN. Objection is heard.

Mr. ROHRABACHER. Mr. Chairman, I move to strike the requisite number of words.

I rise in strong support, strong support of the Coble amendment. The gentleman from North Carolina (Mr. COBLE) and I have worked diligently over the years, I would say that we probably put in thousands of hours over these last four years, in dealing with the patent issue, and I am very proud to stand with the gentleman now, and I am very proud that over our years of working on this issue, that we, last year, came together in support of a patent bill that will dramatically improve America's ability to protect our innovators.

Part of that patent bill, which passed, and I believe it passed almost unanimously, I mean overwhelmingly, I think maybe only 40 or 50 members voted against it, but in that bill was a commitment by this Congress to keep all of the funds that were generated by the Patent Office in the Patent Office, so that those people who were paying patent fees and using the patent system, since it was their resources that they were putting into the Patent Office and they were using the Patent Office's services, that those resources could then be used to make sure the system was efficient and effective, and that the Patent Office could be the best Patent Office in the world, and that our innovators would have the protection they need in order to move forward and to change our society and to uplift America's competitiveness and uplift our standard of living.

Well, here we are less than a year away from when we passed that bill; and already they are trying to change the rules of the game so that that commitment that we made on the floor overwhelmingly, that that money that comes into the patent system would be reserved in making the patent system better and for financing the patent system, already we are violating that pledge.

What the Coble amendment is about is, number one, enforcing the standards that we have set as a body and making sure we keep our word and keep our word to ourselves, keep our word to the American people, and keep our word to the innovators in this society, the innovators who are coming up with the ideas and the technology that ensures that America will have the highest standard of living, that ensures that the American people will have the jobs, and ensures that we will be a secure country because we have the technology that is far better than any adversary.

So number one, just for that alone, we should be supporting the Coble amendment. But furthermore, it talks about priorities. The last speaker spoke about the frustration; and yes, there is frustration in dealing with the system that demands that we continue on a road of fiscal responsibility, and I know how frustrating that is. But because the Republicans have maintained that standard, and insisted on it, we have a balanced budget today. Yes, we can pull our hair out and say we would

love to spend more money on all sorts of other things; but we have a balanced budget, and we are paying down the national debt, and we are making sure that the Social Security system is safe and secure, and that is because we are being responsible; and yes, it means that we have to at times choose between two priorities that are both good options, but we have to determine what our priority is.

Mr. Chairman, I am on the Committee on International Relations as well as being a member of the Committee on Science, and I know how important these exchange programs are. The gentleman's amendment suggests that we take funds from this exchange program of bringing leaders and potential leaders from overseas here so that they can see how the American system works, and I support that. I think it is an important service that we can provide and does a great deal of good. But I will tell my colleagues what does more good.

What does more good is when an American inventor has an idea and he moves forward with it and follows through and develops a new concept that might create billions of dollars' worth of wealth for the American people, and that inventor can go to our government and receive the protection that he or she deserves. That is more important than just providing a visitor's service to foreign dignitaries to this country, even though that foreign dignitaries, their visits, yes, that is an important thing that we can provide, helping to bring peace to the world, et cetera.

However, if we have to choose between options, let us choose the option of standing with the American innovators, the American technologists, the inventors. They are the ones that have ensured that in this, the beginning of the new millennium, that America is starting out ahead of the pack. They are going to make sure that our people have a good standard of living, but they are only going to do that if we make sure our Patent Office gives them the kind of protection that was given to American inventors throughout our history. That protection that we had since our country's founding is the mainspring of American progress.

Mr. Chairman, vote for the Coble amendment and stay true to those principles and select the right priority.

Ms. LOFGREN. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I urge every Member of this House to support the Coble amendment. I think it is a great opportunity to take a stand for innovation in the future of America's economy.

Now, I say that mindful that the offsets that are offered in the bill are, indeed, not good ones; and I know that the gentleman himself has indicated that he does not favor the offsets that he identified. I am aware that he has tried for the last several days, and we have been kept apprised of his efforts, to find an offset that would work and other offsets were subject to a point of order, so this is what we ended up with.

Clearly, cutting the Census is not something that we approve of on either side of the aisle at this point. Cutting the Bureau of Economic Analysis does not make any sense; none of us want to cut the Fullbrights, and I think it is true, as I am a member of the Census Caucus, that it would not be a good thing.

However, having listened to the gentleman from Massachusetts (Mr. FRANK) and the gentleman from Maryland (Mr. HOYER), I must agree that these offsets in the end are not what is going to be in this bill. In fact, we know that this side referred to this bill as veto bait. I mean this bill, as currently constituted, is not going to become law. I think it is important that we take a stand for the Patent Office.

Now, I am a member of the Subcommittee on Intellectual Property; and it is worth noting that our subcommittee has unanimously, on more than one occasion, indicated that we should keep the patent fees in the Patent Office. The patent community came up to bat and agreed that they would not object to increased fees for patents. It is not too often you find people saying, yes, charge us more, on the understanding that those fees would be used to upgrade the office so that patents would be dealt with in a timely and appropriate fashion. Well, what did we do? We raised the fees, but we did not live up to the other half of the bargain. They did not get the benefits of the fees.

Now, I have heard the chairman of the subcommittee talk about the diversion issue, and I think technically it is correct; but I think it is important to understand that, in fact, there is a diversion. Let me illustrate.

In fiscal year 1999, the Patent Office was denied $116 million of its revenue. In fiscal year 2000, $116 million was repaid, but they were denied $229 million of their fees for that year.

□ 1300

So we have a rolling denial of fees, and as a consequence, the Patent Office is underfunded.

Now, why does this matter? We are going to have 600 patent examiners and attorneys leaving the Office through attrition in this next year, and we are not going to be able to replace them unless we have additional funds.

People have talked about the concern that they have about business method patents that are being issued. I am not saying that all those objections are correct. A lot of concern has been raised about patenting of the human genome, and whether we have met all the requirements under patent law as to the utility bar.

We cannot do a good job in the Patent Office if we do not have adequate tools, both personnel, also good computer systems to develop prior art. That is why these funds are very important.

I think it is time to take a stand as a Congress that we are not going to allow the funds to be diverted anymore. The administration, I am ashamed to say, has not fully funded it, but the bill is even worse than the administration. We need to stand up for innovation in this country.

Santa Clara County, my home, is number one in the number of patents issued in the world, I believe. Our unemployment rate is 1.9 percent. The two figures are not unconnected. If Members believe in the new economy, if they believe that America will be prosperous and that our prosperity will spread across our whole population, something I feel strongly about, then Members need first to stand up for the protection of innovation.

We cannot do that, we cannot begin that process, unless we support the amendment offered by the gentleman from North Carolina (Mr. COBLE). I just urge those who call themselves new economy House Members to support this amendment, understanding that in the end the offsets in the amendment will not become part of this bill.

Mr. MANZULLO. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, the issue here has to be addressed in terms of priorities. The operation of the Patent Office is one of the few constitutional functions to which this body addresses itself.

It is nice to have these cultural exchanges. As a member of the Committee on International Relations, we took a look at those several years ago and tried to pare down some money, saved a little money. But we really have to weigh whether or not we are going to have a lot of money spent on the cultural exchanges, or whether or not we are going to undergo a constitutional function, and that is to run the Patent Office.

But somewhere in between, the person who gets lost is the small inventor. Patent fees have gone up over the course of the last several years. In discussing this with patent attorneys, I have discovered that many people who would wish to prosecute a patent application have been stymied because of the tremendous cost used in filing for that application. Yet, the application fees have been based upon essentially what it costs to run the Patent Office.

So I associate myself with the remarks of the gentlewoman from California (Ms. LOFGREN), where she said that the patent organizations, some of them, agreed to raise their own fees in order to keep operations going smoothly at the Patent Office.

I would suggest this. I wish it were within my power so that all the money that was generated by the fees of the Patent Office stayed at the Patent Office and could be used for the prosecution of patents, to make it done ever more quickly.

We are trying to shift some funds, here. I have tremendous respect for the gentleman from Kentucky (Mr. ROGERS), and tremendous respect for the

gentleman from North Carolina (Mr. COBLE). But the gentleman from North Carolina is right in this sense, that in the patent bill that went through Congress this past year, and I had no small part in rewriting some of the provisions in it, along with the gentleman from California (Mr. ROHRABACHER), and, of course, with the leadership of the gentleman from North Carolina (Mr. COBLE), it became obvious that the purpose of the fees was to support the Patent Office.

In fact, there is a provision in that last patent bill that we passed that talked about reasonableness of fees. It is a statement by Congress that fees are to be reasonable in order to encourage entrepreneurship in this country. Now we find out that the raising of the fees was used, and money is being paid by the inventors, to go into the general revenue and to run other programs. That is wrong.

So I would suggest this. I would suggest that we vote in favor of the Coble amendment. It is extremely important that the Patent Office be able to run. If there is a problem with the Patent Office moving to the new headquarters, as has been suggested on the floor, I would further suggest that perhaps language be thrown into the conference report that prohibits the Patent Office from doing that if, in the wisdom of this body, it is determined that spending that money is not necessary.

I would therefore encourage this body to vote in favor of the amendment offered by the gentleman from North Carolina (Mr. COBLE).

Mr. DAVIS of Illinois. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise in opposition to the Coble amendment. I agree with all of those who suggest that the Patent Office ought to have enough money, enough resources, enough activity, to operate. I agree with those who believe that we need to enhance further development and creativity, new ideas, new concepts, new techniques, new ways of doing business.

But I do not believe that we want to disrupt an activity that has been ongoing. When we look at the impact of the Coble amendment just on the Census Bureau itself, this amendment takes a $40 million cut from nondecennial programs, representing a reduction of between 22 to 29 percent from the current House mark.

This would shut down the Economic Censuses and the Census of Governments, and cripple the mapping and address listing program that supports all Bureau surveys. It would also curtail the continuous measurement pilot program slated to replace the decennial census long form.

Combined with existing House action, the Census Bureau would be unable to deliver key economic and demographic data, as we have already heard. This cut would lead to the loss of 500 jobs in the Census Bureau, greatly disrupting the entire Census Bureau, including the decennial census. A cut of this magnitude could indeed cause a ripple effect that could even prevent the Bureau from being able to provide redistricting data that is needed by March 31.

But if for no other reason than just simply one, all of us know how difficult it has been in many instances to convince people to fill out the long form. So we have gone all over America telling people that we needed this information, that we needed the information in order to be able to plan, to know who we are, where we are, what we need; that we needed the information for businesses to be able to determine where to put new stores, new plants. We needed the information so that we could understand the economic impact of our being.

Now we are saying even though people have provided the information, let us not do anything with it. Let us not put the resources into the Census Bureau so that they can take this information, analyze it, synthesize it, put it in shape and form, and then give it back to the American people so it can be used.

So it would seem to me that what we would be doing at that moment is simply throwing out the baby with the bath water, that we are throwing away information that has not been easy to come by. So I would urge, Mr. Chairman, that we vote down the Coble amendment.

Mr. LATHAM. Mr. Chairman, I move to strike the requisite number of words.

Mr. COBLE. Mr. Chairman, will the gentleman yield?

Mr. LATHAM. I yield to the gentleman from North Carolina.

Mr. COBLE. Mr. Chairman, I thank the gentleman from Iowa for yielding to me.

Mr. Chairman, this has been a very spirited debate. I thank everyone. Again, I want to thank the chairman of the subcommittee and the ranking member for their courtesy. I appreciate everyone who has contributed.

A very brief history lesson, Mr. Chairman. In 1982, patent fees were increased 400 percent with the assurance by the administration and the Congress, ''Don't worry, PTO. Keep every nickel you collect.'' In 1991, the patent fees were increased 67 percent to be fully self-sufficient. ''Nobody is going to be coming tapping with your user fees, PTO. Do not worry about it.''

It has been suggested that there has been no diversion. If there is no diversion from the PTO, we would not be here today. I am not down on Census and I am not down on statistics, but this is a day of choice. Sometimes, or strike that, oftentimes in this Chamber we are called upon to make hard choices. Today is one of those days. I opt for the Patent and Trademark Office. I urge my colleagues to do likewise.

Mr. BERMAN. Mr. Chairman, I must regretfully vote against the Coble amendment. I say regretfully because, while I fully support the objective of the amendment, I cannot support the program cuts it uses as offsets.

The objective of the amendment is to restore to the Patent and Trademark Office (PTO) the ability to spend $134 million in fees paid by patent and trademark applicants, and thus to restore its ability to perform critical functions. However, I do not believe that we should restore these funds by cutting in half the funds provided to the cultural and educational exchange programs operated by the Department of State.

I do not want anyone to interpret my vote against this amendment as a sign I condone the now-annual raids on PTO fees to pay for other programs. I unequivocally oppose these raids, and will work to ensure that such raids cannot and do not occur in the future.

Over the past few years, Congress has diverted to other agencies hundreds of millions of dollars in fees paid to the PTO by patent and trademark applicants. The Congress has tried to cover up these diversions by engaging in an accounting shell game, but the end result each year is the same: hundreds of millions in fees paid to the PTO go to fund other agencies. This year, the diversion has gotten totally out of control. While the President's budget for fiscal year 2001 proposed diverting ''only''—and I use that word cynically—$113 million from the PTO, the appropriators saw fit to divert another $134 million, for an unprecedented total of almost $250 million in diverted fees. In other words, 25 percent of the fees paid to the PTO, or 25 cents out of every dollar paid by each independent inventor, would be spent for totally unrelated purposes.

These diversions are not only an injustice to those who paid the fees, but effectively kill the goose that lays the golden egg.

The U.S. patent system, and the PTO that administers it, deserve a large measure of credit for encouraging and sustaining the current American technology boom. As our Founders clearly recognized, the availability of patent protection plays a critical role in encouraging inventiveness. Sure enough, many information, telecommunications, biotechnology, and Internet technologies are patented. And, as my colleagues are only too aware, these recent technology advances are largely responsible for the greatest economic boom our nation has ever experienced.

Don't just take my word for it: the central role of the PTO in advancing this technology boom can be seen through the array of technology companies, from IBM and Intel to Amazon.com and Sun Microsystems, that have come out in strong opposition to these funding cuts. The Information Technology Industry Council considers restoration of PTO fees important enough to score this vote in its High Tech Voting Guide. These technology companies recognize that the PTO must be adequately funded for the technology boom to be sustained.

It is not hard to see that the funding cuts made by H.R. 4690 to the PTO budget will seriously impair the PTO's ability to carry out its critical functions, including review of patents, and thus will have a deleterious effect on the American technology boom. Patents already take too long to be processed, with the pendancy of a patent application currently averaging two years. Even before these funding cuts, the pendancy of a patent was due to rise to 31 months by 2005. After these cuts,

will we be talking about 4 or 5 years for reviews of patent applications? Whether the pendancy is two years or five, it is clearly too long to make a patent useful in Internet time. We should be shortening patent pendancies, not lengthening them.

Moreover, these cuts couldn't occur at a less opportune time. The workload of the PTO has grown by almost 75 percent since 1992. This year alone, patent and trademark filings are increasing at a dramatic rate—a 40 percent increase in trademark applications filings and a 12 percent increase in patent application filings.

The complexity of this workload has also increased dramatically. The technology boom in the United States has resulted in applications for patents on inventions in areas of technology that did not exist just a few years ago. On a daily basis, the PTO is asked to review applications for patents on such things as genetic tests, laser vision technologies, software, and Internet business methods. To ensure that it can adequately process such patents, and thus preserve the integrity of the patent system, the PTO must hire new examiners with the requisite skills in these areas, or fund extensive retraining for current examiners. For example, in the Internet business method area alone, the PTO needs to hire fifty (50) examiners with software engineering and business degrees. The diversion of fees will greatly impair the PTO's ability to handle this increasingly complex workload.

It is also important to note that the PTO is completely funded by fees paid by patent and trademark applicants. That's right: 100 percent funded by fees. The $250 million dollars that H.R. 4690 takes away from the PTO were paid by patent and trademark applicants expecting to receive PTO services for that money. The small, independent inventor who has paid approximately $500 to file an application or $1500 to maintain a patent should be outraged that his money has been diverted to other programs while his patent application remains stalled in bureaucratic limbo.

In summary, I note again that diversion of PTO fees provided for in H.R. 4690 will greatly impair the PTO's ability to adequately fulfill its role in encouraging the current technology boom. Furthermore, these fee diversions are a manifest injustice to the inventors who pay them.

However, I cannot support eviscerating one valuable program to restore funds taken from another. Thus, I must regretfully vote against this.

The CHAIRMAN. The question is on the amendment offered by the gentleman from North Carolina (Mr. COBLE).

The question was taken; and the Chairman announced that the noes appeared to have it.

Mr. COBLE. Mr. Chairman, I demand a recorded vote.

The CHAIRMAN. Pursuant to House Resolution 529, further proceedings on the amendment offered by the gentleman from North Carolina (Mr. COBLE) will be postponed.

SEQUENTIAL VOTES POSTPONED IN THE COMMITTEE OF THE WHOLE

The CHAIRMAN. Pursuant to House Resolution 529, proceedings will now resume on those amendments on which further proceedings were postponed in the following order: amendment No. 21 offered by the gentleman from Virginia (Mr. DAVIS); amendment No. 56 offered by the gentleman from North Carolina (Mr. COBLE).

The Chair will reduce to 5 minutes the time for any electronic vote after the first vote in this series.

AMENDMENT NO. 21 OFFERED BY MR. DAVIS OF VIRGINIA

The CHAIRMAN. The pending business is the demand for a recorded vote on amendment No. 21 offered by the gentleman from Virginia (Mr. DAVIS) on which further proceedings were postponed and on which the noes prevailed by voice vote.

The Clerk will redesignate the amendment.

The Clerk redesignated the amendment.

RECORDED VOTE

The CHAIRMAN. A recorded vote has been demanded.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 103, noes 288, not voting 43, as follows:

[Roll No. 320]

AYES—103

Abercrombie
Allen
Baldacci
Baldwin
Barr
Bateman
Berkley
Bilbray
Bliley
Boswell
Brady (PA)
Bryant
Burton
Capuano
Castle
Clayton
Conyers
Coyne
Crowley
Cummings
Danner
Davis (FL)
Davis (VA)
DeFazio
Delahunt
DeLauro
Deutsch
Dingell
Doggett
Dooley
Dunn
Ehrlich
Eshoo
Etheridge
Farr
Fattah
Ford
Frank (MA)
Franks (NJ)
Frelinghuysen
Gejdenson
Gekas
Gilchrest
Gilman
Hall (TX)
Hinchey
Horn
Hoyer
Hunter
Hyde
Isakson
Jackson (IL)
Jackson-Lee (TX)
Johnson, Sam
Kelly
Kennedy
LaFalce
Leach
Lee
Lowey
Maloney (CT)
Martinez
McCarthy (MO)
McDermott
McGovern
McHugh
McKinney
McNulty
Meehan
Miller, George
Moran (VA)
Morella
Nadler
Owens
Oxley
Payne
Pelosi
Porter
Price (NC)
Rahall
Rivers
Rogan
Sanchez
Sanders
Scarborough
Schakowsky
Scott
Sisisky
Slaughter
Smith (MI)
Sweeney
Tauscher
Thompson (CA)
Tierney
Traficant
Udall (CO)
Wamp
Waters
Watt (NC)
Weiner
Wolf
Wu
Young (AK)

NOES—288

Ackerman
Aderholt
Andrews
Archer
Armey
Baca
Baird
Ballenger
Barcia
Barrett (NE)
Barrett (WI)
Bartlett
Barton
Bass
Becerra
Bentsen
Bereuter
Berry
Biggert
Bilirakis
Bishop
Blagojevich
Blumenauer
Blunt
Boehlert
Bonilla
Bonior
Bono
Borski
Boucher
Boyd
Brady (TX)
Brown (FL)
Brown (OH)
Burr
Buyer
Callahan
Calvert
Camp
Cannon
Capps
Cardin
Carson
Chabot
Chambliss
Clement
Clyburn
Coble
Collins
Combest
Condit
Cooksey
Costello
Cox
Cramer
Crane
Cubin
Cunningham
Davis (IL)
Deal
DeGette
DeLay
DeMint
Diaz-Balart
Dickey
Doolittle
Doyle
Dreier
Duncan
Edwards
Ehlers
Emerson
Engel
English
Evans
Everett
Fletcher
Foley
Forbes
Fossella
Fowler
Frost
Ganske
Gephardt
Gibbons
Gillmor
Gonzalez
Goode
Goodlatte
Goodling
Gordon
Graham
Granger
Green (TX)
Green (WI)
Greenwood
Gutierrez
Gutknecht
Hall (OH)
Hansen
Hastings (WA)
Hayes
Hayworth
Hefley
Hill (IN)
Hill (MT)
Hilleary
Hilliard
Hinojosa
Hobson
Hoeffel
Hoekstra
Holden
Holt
Hooley
Hostettler
Houghton
Hulshof
Inslee
Jefferson
Jenkins
John
Johnson (CT)
Johnson, E.B.
Kanjorski
Kaptur
Kasich
Kildee
Kilpatrick
Kind (WI)
King (NY)
Kingston
Kleczka
Knollenberg
Kolbe
Kucinich
Lampson
Lantos
Largent
Larson
Latham
Levin
Lewis (CA)
Lewis (GA)
Lewis (KY)
Linder
Lipinski
LoBiondo
Lofgren
Lucas (KY)
Lucas (OK)
Luther
Maloney (NY)
Manzullo
Markey
Mascara
Matsui
McCarthy (NY)
McCrery
McInnis
McIntyre
McKeon
Meek (FL)
Meeks (NY)
Menendez
Metcalf
Mica
Millender-McDonald
Miller (FL)
Miller, Gary
Minge
Mink
Moakley
Mollohan
Moore
Moran (KS)
Napolitano
Neal
Ney
Northup
Norwood
Nussle
Oberstar
Obey
Olver
Ortiz
Ose
Packard
Pallone
Pascrell
Pastor
Paul
Pease
Peterson (MN)
Peterson (PA)
Petri
Phelps
Pickett
Pitts
Pombo
Portman
Pryce (OH)
Quinn
Radanovich
Ramstad
Regula
Reynolds
Riley
Rodriguez
Roemer
Rogers
Rohrabacher
Ros-Lehtinen
Roukema
Royce
Rush
Ryan (WI)
Ryun (KS)
Sabo
Salmon
Sandlin
Sanford
Sawyer
Saxton
Schaffer
Sensenbrenner
Serrano
Sessions
Shadegg
Shaw
Shays
Sherman
Sherwood
Shimkus
Shows
Shuster
Simpson
Skeen
Skelton
Smith (NJ)
Smith (TX)
Snyder
Souder
Spence
Spratt
Stabenow
Stark
Stearns
Stenholm
Strickland
Stump
Stupak
Sununu
Talent
Tancredo
Tanner
Taylor (MS)
Taylor (NC)
Terry
Thomas
Thompson (MS)
Thornberry
Thune
Thurman
Tiahrt
Toomey
Towns
Turner
Udall (NM)
Upton
Velazquez
Visclosky
Vitter
Walden
Walsh
Watkins
Watts (OK)
Waxman
Weldon (FL)
Weldon (PA)
Weller
Wexler
Weygand
Whitfield
Wicker
Wilson
Wise
Woolsey

NOT VOTING—43

Bachus
Baker
Berman
Boehner
Campbell
Canady
Chenoweth-Hage
Clay
Coburn
Cook
Dicks
Dixon
Ewing
Filner
Gallegly
Goss
Hastings (FL)
Herger
Hutchinson
Istook
Jones (NC)
Jones (OH)
Klink
Kuykendall
LaHood
LaTourette
Lazio
McCollum
McIntosh
Murtha
Myrick
Nethercutt
Pickering
Pomeroy
Rangel
Reyes
Rothman
Roybal-Allard
Smith (WA)
Tauzin
Vento
Wynn
Young (FL)

□ 1335

Ms. EDDIE BERNICE JOHNSON of Texas, Mrs. MCCARTHY of New York, Mrs. THURMAN, and Messrs. STUPAK, FOLEY, LOBIONDO, PETRI, QUINN,

and BOYD changed their vote from ''aye'' to ''no.''

Messrs. THOMPSON of California, FORD, CUMMINGS, Ms. DELAURO, Ms. BERKLEY, Mrs. CLAYTON, Mr. HINCHEY, Ms. BALDWIN, Mr. FARR of California, Ms. MCKINNEY, Mr. COYNE, Mr. PAYNE, Ms. RIVERS, Ms. SLAUGHTER, Messrs. CAPUANO, DELAHUNT, OWENS, LAFALCE, MCNULTY, JACKSON of Illinois, WEINER, TIERNEY, MCGOVERN, CROWLEY, BALDACCI, RAHALL, Ms. LEE, Mr. DAVIS of Florida, Ms. WATERS, Ms. SCHAKOWSKY, and Mr. KENNEDY of Rhode Island changed their vote from ''no'' to ''aye.''

So the amendment was rejected.

The result of the vote was announced as above recorded.

ANNOUNCEMENT BY THE CHAIRMAN

The CHAIRMAN. Pursuant to House Resolution 529, the Chair announces that he will reduce to a minimum of 5 minutes the period of time within which a vote by electronic device will be taken on each amendment on which the Chair has postponed further proceedings.

AMENDMENT NO. 56 OFFERED BY MR. COBLE

The CHAIRMAN. The pending business is the demand for a recorded vote on amendment No. 56 offered by the gentleman from North Carolina (Mr. COBLE) on which further proceedings were postponed and on which the noes prevailed by voice vote.

The Clerk will redesignate the amendment.

The Clerk redesignated the amendment.

RECORDED VOTE

The CHAIRMAN. A recorded vote has been demanded.

A recorded vote was ordered.

The CHAIRMAN. This will be a 5-minute vote.

The vote was taken by electronic device, and there were—ayes 145, noes 223, not voting 66, as follows:

[Roll No. 321]

AYES—145

Archer
Armey
Baldwin
Ballenger
Barcia
Barr
Bartlett
Barton
Bass
Bilbray
Blumenauer
Boehlert
Bono
Boucher
Bryant
Burr
Burton
Buyer
Calvert
Camp
Cannon
Castle
Chabot
Clayton
Coble
Combest
Condit
Conyers
Cox
Crane
Cubin
Cunningham
Davis (VA)
DeFazio
DeGette
Delahunt
DeMint
Dickey
Dooley
Doolittle
Dreier
Dunn
Ehlers
Ehrlich
Eshoo
Farr
Fletcher
Forbes
Fossella
Frank (MA)
Goode
Goodlatte
Goodling
Hall (TX)
Hansen
Hayes
Hayworth
Hefley
Hill (MT)
Hilleary
Horn
Hostettler
Houghton
Hunter
Hyde
Inslee
Isakson
Johnson (CT)
Johnson, Sam
Kasich
Kelly
King (NY)
Kingston
Largent
Larson
Lewis (KY)
Lofgren
Lucas (OK)
Luther
Manzullo
Martinez
McCarthy (MO)
McCarthy (NY)
McInnis
McKeon
Metcalf
Mica
Miller, Gary
Minge
Moran (KS)
Moran (VA)
Nadler
Napolitano
Ney
Norwood
Ose
Oxley
Paul
Pease
Pelosi
Peterson (MN)
Pitts
Pombo
Portman
Pryce (OH)
Radanovich
Ramstad
Rohrabacher
Roukema
Royce
Ryun (KS)
Sanford
Saxton
Schaffer
Sensenbrenner
Sessions
Shadegg
Shays
Sherman
Shuster
Simpson
Slaughter
Smith (TX)
Spence
Stearns
Stump
Tancredo
Thompson (CA)
Thornberry
Thune
Thurman
Toomey
Traficant
Vitter
Walden
Weiner
Weldon (FL)
Weldon (PA)
Weller
Wexler
Wilson
Wise
Wolf
Wu
Young (AK)

NOES—223

Abercrombie
Ackerman
Aderholt
Allen
Andrews
Baca
Baird
Baldacci
Barrett (NE)
Barrett (WI)
Bateman
Becerra
Bentsen
Bereuter
Berkley
Berry
Biggert
Bilirakis
Blagojevich
Bliley
Blunt
Bonilla
Bonior
Borski
Boswell
Boyd
Brady (PA)
Brady (TX)
Brown (FL)
Brown (OH)
Capps
Capuano
Cardin
Carson
Chambliss
Clay
Clement
Clyburn
Collins
Cooksey
Costello
Coyne
Cramer
Crowley
Cummings
Danner
Davis (FL)
Davis (IL)
DeLauro
DeLay
Deutsch
Diaz-Balart
Dingell
Doggett
Doyle
Duncan
Edwards
Emerson
Engel
English
Evans
Fattah
Foley
Ford
Frelinghuysen
Frost
Ganske
Gejdenson
Gekas
Gephardt
Gilchrest
Gillmor
Gilman
Gonzalez
Gordon
Graham
Green (TX)
Green (WI)
Greenwood
Gutierrez
Gutknecht
Hall (OH)
Hastings (WA)
Hill (IN)
Hilliard
Hinchey
Hinojosa
Hobson
Hoeffel
Hoekstra
Holden
Holt
Hooley
Hoyer
Hulshof
Jackson (IL)
Jackson-Lee (TX)
Jefferson
Jenkins
John
Johnson, E. B.
Kanjorski
Kaptur
Kennedy
Kildee
Kind (WI)
Kleczka
Knollenberg
Kolbe
Kucinich
LaFalce
Lampson
Lantos
Latham
Leach
Lee
Levin
Lewis (CA)
Lewis (GA)
Linder
Lipinski
LoBiondo
Lowey
Lucas (KY)
Maloney (CT)
Maloney (NY)
Mascara
Matsui
McCrery
McDermott
McGovern
McHugh
McIntyre
McKinney
McNulty
Meek (FL)
Meeks (NY)
Menendez
Millender-McDonald
Miller (FL)
Miller, George
Mink
Mollohan
Moore
Morella
Neal
Northup
Nussle
Oberstar
Obey
Olver
Ortiz
Owens
Packard
Pallone
Pastor
Payne
Peterson (PA)
Petri
Phelps
Pickett
Porter
Price (NC)
Quinn
Rahall
Regula
Reynolds
Riley
Rivers
Rodriguez
Roemer
Rogers
Rush
Ryan (WI)
Sabo
Salmon
Sanchez
Sanders
Sandlin
Sawyer
Schakowsky
Scott
Serrano
Shaw
Sherwood
Shimkus
Shows
Sisisky
Skeen
Skelton
Smith (MI)
Smith (NJ)
Snyder
Souder
Spratt
Stark
Stenholm
Strickland
Sweeney
Talent
Tanner
Tauscher
Taylor (MS)
Terry
Thomas
Tiahrt
Tierney
Towns
Turner
Udall (CO)
Udall (NM)
Upton
Velazquez
Visclosky
Walsh
Wamp
Watt (NC)
Watts (OK)
Waxman
Weygand
Whitfield
Wicker
Woolsey

NOT VOTING—66

Bachus
Baker
Berman
Bishop
Boehner
Callahan
Campbell
Canady
Chenoweth-Hage
Coburn
Cook
Deal
Dicks
Dixon
Etheridge
Everett
Ewing
Filner
Fowler
Franks (NJ)
Gallegly
Gibbons
Goss
Granger
Hastings (FL)
Herger
Hutchinson
Istook
Jones (NC)
Jones (OH)
Kilpatrick
Klink
Kuykendall
LaHood
LaTourette
Lazio
Markey
McCollum
McIntosh
Meehan
Moakley
Murtha
Myrick
Nethercutt
Pascrell
Pickering
Pomeroy
Rangel
Reyes
Rogan
Ros-Lehtinen
Rothman
Roybal-Allard
Scarborough
Smith (WA)
Stabenow
Stupak
Sununu
Tauzin
Taylor (NC)
Thompson (MS)
Vento
Waters
Watkins
Wynn
Young (FL)

☐ 1344

So the amendment was rejected.

The result of the vote was announced as above recorded.

Stated for:

Mr. PEASE. Mr. Chairman, due to unforeseen circumstances, I was not able to attend the vote on the amendment to H.R. 4690 offered by Mr. COBLE today. Had I been present I would have voted ''aye.''

PERSONAL EXPLANATION

Mr. KUYKENDALL. Mr. Chairman, I was unavoidably detained attending my son's high school graduation and missed rollcall votes 319–321. If I had been here, I would have voted in the following manner: Rollcall 319: ''Yes'' (amendment to retain power to conduct tobacco litigation). Rollcall 320: ''No'' (amendment requiring overtime pay to Department of Justice lawyers). Rollcall 321: ''Yes'' (transferring fees to support Patent and Trademark Office).

Mr. WATTS of Oklahoma. Mr. Chairman, today I rise to support H.R. 4690, the Commerce Justice State Appropriations Bill. Mr. Chairman, by passing this bill the House will take an important stand against methamphetamine production across this country.

The drug, Methamphetamine, is produced in the backseats of cars, in motel rooms, in homes, and even in toilets. This drug is composed of products like battery acid, Draino, bleach, and lighter fluid. This drug can be injected, inhaled, or smoked. People around this country are actually inhaling battery acid and bleach that was mixed in somebody's toilet. The negative effects of this on the human body are horrendous: insomnia, depression, malnutrition, liver failure, brain damage, and death.

This terrible drug not only affects those who use it but can also be deadly to innocent Americans whose homes are near these labs. In my home State of Oklahoma over the past year, we have had over 1,000 methamphetamine labs explode or need to be cleaned up by the Oklahoma State Bureau of Investigation. And, every time one of these labs explodes families are exposed to toxic and lethal fumes that are disbursed to the surrounding neighborhood. Innocent young children and seniors are rushed to the emergency room to be treated for inhalation of these toxic and deadly fumes.

By passing H.R. 4690, the House will fund $45 million to state and local law enforcement agencies to help combat methamphetamine production and meth lab cleanup. This money will start to turn back the tide against these

labs, and protect our families and neighborhoods. This money will be used to train officers to find these labs and most importantly clean the toxic remains of these labs.

Mr. Chairman, I urge my colleagues to stand with me today against this dangerous, deadly drug and support the Commerce Justice State Appropriations Bill.

Mr. ROGERS. Mr. Chairman, I move that the Committee do now rise.

The motion was agreed to.

Accordingly, the Committee rose; and the Speaker pro tempore (Mr. PEASE) having assumed the chair, Mr. HASTINGS of Washington, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H.R. 4690) making appropriations for the Departments of Commerce, Justice, and State, the Judiciary, and related agencies for the fiscal year ending September 30, 2001, and for other purposes, had come to no resolution thereon.

PERMISSION FOR COMMITTEE ON APPROPRIATIONS TO FILE PRIVILEGED REPORT ON ENERGY AND WATER DEVELOPMENT APPROPRIATIONS BILL, 2001

Mr. ROGERS. Mr. Speaker, I ask unanimous consent that the Committee on Appropriations may have until midnight tonight, June 23, 2000, to file a privileged report on a bill making appropriations for energy and water development for the fiscal year ending September 30, 2001, and for other purposes.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Kentucky?

There was no objection.

The SPEAKER pro tempore. All points of order are reserved.

ESTABLISHING TIME LIMITATIONS ON AMENDMENTS DURING FURTHER CONSIDERATION OF H.R. 4690, DEPARTMENTS OF COMMERCE, JUSTICE, AND STATE, THE JUDICIARY, AND RELATED AGENCIES APPROPRIATIONS ACT, 2001

Mr. ROGERS. Mr. Speaker, I ask unanimous consent that during further consideration of H.R. 4690 in the Committee of the Whole pursuant to House Resolution 529 and the order of the House of June 22, 2000, except as specified, each amendment shall be debatable only for 10 minutes equally divided and controlled by the proponent and an opponent; amendment No. 23 shall be debatable only for 30 minutes equally divided and controlled by the proponent and an opponent; and amendment No. 60 shall be debatable only for 60 minutes equally divided and controlled by the proponent and an opponent.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Kentucky?

Mr. SERRANO. Mr. Speaker, reserving the right to object, let me first tell my chairman that I will not be objecting so that he will not get a heart attack right now.

First let me say that I still have very serious problems with this process which allows people who go up front with amendments the first day or so of deliberation on a bill and certain sections of the bill to go up front to get a certain kind of attention and a certain kind of input in time and then the second part or latter parts of the bill and folks who are either junior Members or have work to do within those parts of the bill get less attention.

I would hope in the future when we sit down to deal with one of these bills, we come to some agreements early on because I just think it is unfair. However, knowing the need we have to finish this bill and being part of the gentleman's desire to keep this bill moving and improving the bill, I will not object.

However, I would like to ask the gentleman if he knows at this point specifically how many amendments we have left.

Mr. ROGERS. If the gentleman will yield, there are 36 amendments at best count we have at this moment.

Mr. SERRANO. Mr. Speaker, my understanding is that the peacekeeping amendment will be allocated 1 hour, the Hostettler guns amendment will be given 30 minutes, and then every other amendment will receive 10 minutes.

Mr. ROGERS. The gentleman is correct.

Mr. SERRANO. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Kentucky?

Mr. SMITH of Michigan. Mr. Speaker, reserving the right to object, and I will not object, but just to express my frustration of hearing so much time spent on nongermane amendments and my amendment that is now being allocated 10 minutes is an amendment that allows the Bureau of Economic Analysis, one of the few areas that Alan Greenspan, the Chairman of the Fed, has said publicly he thinks needs more funding. The ranking member of the Committee on the Budget has indicated that he thinks the BEA needs more funding. This will preclude that kind of testimony. Two of the Republican Members that have been suggested as possible chairman of the Committee on the Budget have indicated their interest in expanding the allocation for BEA, and they will not have that opportunity at 4 p.m. Monday.

I am concerned again like the ranking member suggested that early amendments utilize so much of the time that cannot be considered any more crucial, any more important or any more dynamic as we move ahead with this budget. I simply express my concern on the decisions and the frustration on the majority leader's part and on the ranking member's part.

Mr. ROGERS. Mr. Speaker, will the gentleman yield?

Mr. SMITH of Michigan. I yield to the gentleman from Kentucky.

Mr. ROGERS. I think that we are going to have to address the problem that is being talked about here in some fashion in the procedures under which we operate. I think the Committee on Rules is going to have to look at perhaps time limitations so that everyone is entitled and given some degree of protection that their amendment will receive adequate time and not be hogged, if you will, by the early risers on a bill. It is not fair. The only way I think we can address it is for the Committee on Rules to come up with some procedure that guarantees that if you are at the end of the bill, you can get the same kind of attention that the people at the beginning part of the bill get.

I think the gentleman makes a real legitimate point, as does the ranking member.

Mr. SERRANO. Mr. Speaker, will the gentleman yield?

Mr. SMITH of Michigan. I yield to the gentleman from New York.

Mr. SERRANO. I want to clarify my point. I am not for time limitations. What I am for is for uniformity. While I do not like time limitations, I personally think that there is a contradiction in this House. We celebrate our democracy but we hate debate. And even if it is debate we do not like, that is part of who we are as a Nation.

My opinion is just the opposite, the 5-minute rule and just let it go. If that is what it takes, 3, 4 days, that is what it takes.

Mr. SMITH of Michigan. Mr. Speaker, reclaiming my time, on the first 12 amendments we did very well on a lot of debate, and that is part of my concern.

Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Kentucky?

There was no objection.

PROCEDURES TO BE FOLLOWED DURING FURTHER CONSIDERATION OF H.R. 4690, DEPARTMENTS OF COMMERCE, JUSTICE, AND STATE, THE JUDICIARY, AND RELATED AGENCIES APPROPRIATIONS ACT, 2001

(Mr. ROGERS asked and was given permission to address the House for 1 minute.)

Mr. ROGERS. Mr. Speaker, I would remind the Members of the procedures we will be following in the continued consideration of H.R. 4690 when we resume consideration of the bill on Monday.

I want to make it clear, last night's unanimous consent agreement outlined the procedures for the amendments to be offered. Today's unanimous consent agreement provided for a time agreement on those amendments. The amendments must be offered in regular bill order. Points of order against the amendments have not been waived.